

LABOR UNIONS AND BRITISH INDUSTRY.  
AND VALUES IN PHILADELPHIA.

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DEPARTMENT OF COMMERCE AND LABOR.

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# BULLETIN

OF THE

# BUREAU OF LABOR.

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## BULLETIN

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### LABOR UNIONS AND BRITISH INDUSTRY.

BY A. MAURICE LOW. (<sup>a</sup>)

The answer to a question which is not demonstrable mathematically, which can not be solved by exact statistics or figures by which a balance can be struck, must always be colored by the sympathy or prejudice of the person whom it most nearly affects. In making an investigation of English trade unions and their effect on British industry, it must be evident that there could be no answer returned which might not be criticised, if not even attacked. That certain conditions exist to-day can be easily determined, but whether those conditions would exist if there were no trade unions, whether those conditions would be better or worse, whether improved industrial conditions would prevail, whether, in short, a hundred things would be different if certain forces were not in existence, is a speculation fruitless and unprofitable and leading to nowhere.

It must also be self-evident that a question so broad in its scope as this should not be dogmatized about. Prejudice and self-interest will sway conviction. In one sense the trade union represents a force antagonistic to the union of capital; in another the trade union is the ally of capital. Naturally, therefore, the simple question what the effect of unions of workers has been on industry will be answered in

<sup>a</sup> The writer desires to express his thanks for the courtesy shown him and the valuable assistance rendered by Sir Alfred E. Bateman, K. C. M. G., Mr. H. Llewellyn Smith, C. B., Mr. John Burnett, of the Board of Trade, and other officials of the Board of Trade and the Home Office; Mr. Sidney Low, L. C. C., Mr. John Burns, M. P., Mr. Richard Bell, M. P., Mr. Sidney Webb, L. C. C., Sir George Livesey, Lord Glenesk, Mr. George N. Barnes, Mr. George S. Gibb, Mr. D. A. Thomas, M. P., Mr. W. Brace, and the editors of the Engineering Magazine.

more than one way, and honestly, according to the view point of capital or labor.

These divergent views, instead of leading to hopeless confusion, as might be imagined, lead very directly to a common ground where conflict of opinion can be reconciled. In spite of differences as to details, disagreement even as to principles, there is substantial accord as to the service which the trade union has rendered by substituting for the arrangement between individual employer and employee the more scientific and more satisfactory method of collective bargaining under which a trade is heard through its spokesman, and uniformity is secured in rates of wages, hours of labor, or other conditions of service with practically all employers. While the great majority of employers in Great Britain favor collective bargaining as leading to greater stability and as producing more satisfactory results, a certain number regard the power of the trade unions as inimical to their interests because the workmen, leagued in a union, are more powerful and less easily reduced to terms when it comes to a trial of strength than they were when there was no nexus to bind men of different crafts in a compact body united in a common cause, and every man, employer as well as employee, bargained as an individual.

The idea of certain economists that labor and capital are cogs in a machine, which must engage if the machinery is to do its work, the one set of teeth as important as the other and both mutually dependent, is not the general view entertained by British labor. What labor has won labor has fought for is the statement, less epigrammatically expressed, of English workmen. Their increase in wages, their decrease in hours, their better condition generally, they have fought for and the employers have conceded to them, the workman believes, because the workman as a cohesive force was powerful enough to compel compliance with his demands and not voluntarily, not because they were impelled by considerations of charity or philanthropy, not even because of the narrower view that it was more economic and therefore more profitable to them in the long run.

Yet it is this knowledge of power, this use of it—and often its misuse—which has unconsciously led to better relations between British labor and British capital, and which has exercised a marked influence on British industry. The investigation embraced an attempt to discover not only what the effect of unionism has been on industry, but also what the unions have done for their members, and what is the position of the unions and what are their relations to industry. Here one treads on no uncertain ground; the footing is firm. It can be clearly demonstrated what has been accomplished since the trade union became one of the great social factors.

It is proper to state here the method pursued in an attempt to gain an accurate comprehension of a subject so extremely complex, and so

largely colored by personal prejudice. Several weeks were spent in personal interviews with representative trade unionists and with some of the largest employers of labor. With these men the writer talked freely and at considerable length. The statement that follows is a synopsis of their views, which are given in detail later. For the present it is sufficient to draw attention to the salient facts which these interviews developed.

It is the conclusion of the clearest observers of the labor question, observers who view the problem from the standpoint of capital as well as of labor, that the labor union in England, where it was born, and where it began as a benefit and charitable society formed for the purpose of succoring its members when ill or out of work, soon became a militant society whose main object was to better the condition of its members at the expense of employers, and without regard for the rights of employers, the equities involved, or the practical question whether an employer was able to meet the demands made upon him and continue to operate his works at a fair profit. It was a period of agitation and continued unrest. The leaders were men who were trying to embitter the relations between the members of the society and the employers. They believed, most of them quite honestly, that the only way to bring about any improvement in the condition of the men in the ranks of the great army of labor, was to sow discontent and keep alive the spirit of dissatisfaction. That era has passed. The fighting trade-union leader has been succeeded in England by a leader who is no less courageous, but who is certainly more intelligent. This new leader has given time and thought to the study of industrial questions, and comprehends that if the wage worker is to improve his condition, earn good wages, and be in the receipt of steady employment, it is essential for him to maintain friendly relations with his employer, to make strikes as few and as infrequent as possible, and to do nothing foolishly to restrict the conduct of business or increase the cost of production and thereby help a foreign competitor.

The appeal to force—the strike on the one hand and the lockout on the other—is by no means an archaic weapon in England to-day, but both sides recognize the wastefulness and folly of resorting to force, and endeavor by every means possible to secure a settlement of difficulties by an appeal to reason and the employment of methods of conciliation.

It is impossible to discuss any question relating to capital and labor in England without immediately involving the United States in the discussion and without drawing parallels and comparisons between the conditions existing in the two countries. The reason for this is obvious. The United States is a factor of no mean importance in its influence on labor and industrial conditions in Great Britain. The

connection and intercourse between the two countries is now so intimate that it is no exaggeration to say that anything which affects labor as a whole in one country immediately has its reflex upon labor in the other. What impresses the observer with significant force is the comment frequently made, by employers as well as by working-men, that in the United States the unions are at the present time passing through the same stage which is part of the history of unionism in the United Kingdom a quarter of a century ago. Questions which have been settled in Great Britain are yet to be settled in the United States. Viewing the present condition of trade unionism in the United States in the light of the history of the movement in Great Britain, the men whose opinions are here presented, believe that in the United States trade unionism has not yet advanced to the high level it now occupies in Great Britain. This is one reason why, in their opinion, the relations between capital and labor in America are not so cordial as in England; and it also explains why strikes in America are more common than in England and are carried on with greater bitterness on both sides.

It must be understood that these general statements are not the personal opinion of the writer, but simply reflect the belief of men whose opinions are entitled to respectful consideration. The statements may not be correct, but they are indicative of what capitalists, as well as unionists, believe; and, in one sense at least, they are statements of fact, and not of mere opinion. In so far as they relate to the past and present history of trade unionism in Great Britain they cease to be speculative and pass into the domain of fact. The weight of evidence sustains the conclusion that the relations existing between employers and unionists are better to-day than they ever were. It is also an indisputable fact that the relations formerly were not only unfriendly but actually hostile.

Although America is the younger country, one is forced to the conclusion that the United States in recent years has exercised greater influence on English labor and English labor methods than has England on American labor.

The general tendency in America has been to adopt every possible improvement and to substitute at the earliest opportunity the new machine or tool for that less modern. The Englishman, both employer and employee, has been more conservative and more inclined to cling to that which has formerly served him. It is the constant remark of manufacturers that machines are earlier and more frequently "scrapped" in America than in England, and the same thing is said by the employee, who is inclined to believe that the American workingman is earlier "scrapped" than the British workingman, by which he means that in America the workingman is used up sooner than in England and is prematurely declared unfit for further manual labor.

But in recent years, due, doubtless, to the unbounded prosperity prevailing in the United States and the competition of American manufacturers, the Englishman has turned his attention more and more to America, and has not hesitated to profit by what he has learned there. Significant of this is the recent action of Mr. Alfred Moseley in paying the expenses of a commission of workingmen to investigate industrial conditions in the United States. These men have seen things which in some respects have been a revelation to them. They have learned from the United States the use of labor-saving machinery, and it may be set down as a fact that, owing largely to the influence of the United States, they now no longer oppose the use of such machinery.

One notices also another extremely interesting fact which sharply emphasizes the difference between labor conditions in England and in the United States, and undoubtedly has its influence in both countries. More than once the remark has been made to the writer by intelligent workingmen that in England the average workingman is not expected to think, but is simply required to do the work for which he has been engaged, and the more he becomes merely a part of the machine committed to his care and does his work in a purely mechanical fashion the greater his chances are of retaining his position and not being interfered with by foreman or employer.

"I don't hire you to think," in the words of one intelligent observer, may be summed up as the attitude of the employer toward the workingman, and men say that when they have suggested improvements, as the result of their practical knowledge and experience, they have been severely snubbed for their pains. In the United States, these same observers say, the workman is expected to think, the employer encourages it, and there is always in every factory of any importance a certain number of men who, in order to better their condition, are constantly trying to see how they can improve the methods of work.

The opposition of the union man to working with the nonunion man is less marked in England than in the United States. In nearly every case brought under the notice of the writer, union and non-union men have been found working side by side. It is not asserted that there are trades in which this opposition does not exist, but certainly among the most important of the highly organized trades the intense antipathy for the nonunionist, which is such a frequent cause of labor disputes in America, does not manifest itself so violently in England, and the "sympathetic strike" is every year falling into greater disrepute.

The evolution of the trade unions—the newer view of the relation that ought to exist between employers and employees—has led both sides to look upon harmony rather than strife as the great end to be attained. There is constantly noticed a marked increase in the desire

of both employers and men to create the machinery, in many cases reaching the dignity of a tribunal, by which, by voluntary compact, any matter in dispute, whether it be the comparatively insignificant one of a holiday or the much more vital one of a decrease or increase in wages or hours, shall be settled in an orderly method under prescribed rules, both sides loyally abiding by the decision. This method finds its most scientific illustration in those trades that are thoroughly organized and whose workers are of the highest intelligence. In trades where the degree of intelligence required is lower and where, due to this lack of intelligence and other causes, the unions are weaker, this system has not yet reached such perfection, and strikes are more frequent.

In a former bulletin of this Bureau (<sup>a</sup>) was given a concise but complete history of the growth and status of conciliation and arbitration in various industries in Great Britain. In this article the subject will be discussed only in connection with those industries which formed the subject of the writer's investigation, and only incidentally as one of the factors of trade unionism in social development and having a great bearing on the main proposition—the effect of trade unions on British industry.

One of the most important steps taken by any association of workingmen to eliminate friction, prevent labor disputes, and substitute law and order for force is the plan adopted by the Durham Miners' Association, a union of 90,000 men working in the Durham coal fields. The association has 192 branches in the county of Durham. All control of arrangements relating to wages is vested in the hands of the central committee, the subordinate branches, or lodges as they are known, having the power to make their own arrangements, subject to ratification by the central authority.

The administrative machinery of the association is worked by means of a joint committee composed of 6 colliery managers and 6 working-men, 3 of whom are elected by the lodges, the remaining members of the committee being general officers of the association. This committee deals with any local differences that may arise.

There is also a conciliation board consisting of 36 members—18 employers, 9 miners, 3 mechanics, 3 enginemen, and 3 coke workers. The board has an "independent chairman," Lord Davey, one of the lord justices of appeal, whose functions are never exercised except when the board requires him to act. In all other cases the board is presided over by one of its own members, usually an employer. On an average the board meets every three months and takes up for discussion and settlement all questions relating to wages, and such

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<sup>a</sup> Bulletin of the Department of Labor, No. 28, May, 1900: Voluntary Conciliation and Arbitration in Great Britain, by John Bruce McPherson.

matters as may generally affect the relations existing between employers and employees.

The selection of Lord Davey as the "independent chairman," a somewhat incorrect title, is such an enormous stride in what may be properly termed mutual labor legislation that it is worthy of very careful study by everyone who has the best interests of labor at heart, and who endeavors to reduce the risk of disagreements between employers and employees. The system which has been put into operation by the Durham miners is unlike that prevailing, so far as the writer has been able to ascertain, in any other trade in the United Kingdom, and it is believed that no such method exists in any other country in the world. To the Durham miners must be given the credit for having acted as pioneers and taken a long step forward, and in the interests of society, it is hoped that this system will soon be imitated by employers and employees generally.

Lord Davey is more than an "independent chairman." Practically and to all intents and purposes in deciding a case brought before him by the conciliation board of the Durham Miners' Association he sits as a justice of appeal, precisely as he sits on the bench of his own court representative of the majesty of the law and panoplied in wig and ermine; and precisely as he sits there empowered to enforce his mandate which appellant and appellee must obey, no matter whether they are satisfied or not, so his decision on any appeal brought before him by the conciliation board has all the force and effect of a mandate based on the powers conferred by statute, and from this decision there is no appeal. But let it be remembered that this mandate acquires force because in advance both sides have acquiesced in the finding, whatever it may be. In short, it is a beautiful example of all law in a highly civilized state of society depending for its enforcement upon the consent of the governed.

Regarding Lord Davey in the light of a judge of appeal, the conciliation board is an inferior court of original jurisdiction. The method of procedure, in the case of any disagreement arising between masters and men, is to submit the dispute to the board. Here it is argued and discussed in the usual way. If it should not be possible for an agreement to be reached either side may ask for a further consideration, either by a committee or by the board itself at a future hearing. In this way there is no hasty action, and any passion which may have been aroused is given ample opportunity to cool off. It may be, and it has happened, that a matter has been before the board for a year, but if after repeated hearings it becomes patent to both sides that an agreement is manifestly impossible an appeal lies to Lord Davey. Before him appear the representatives of the contending interests, who become plaintiff and defendant as they would in a case tried before a court of justice. Lord Davey listens to the fullest

argument on both sides and acts not only as judge, but also as judge-advocate; as the friend of both parties in interest it is his function, not only to bring out all the facts, but also to get at the equities involved, and in due course he renders his decision. From that decision there is no *appéal*; and while Lord Davey has no legal power to enforce his decision, while he has no such power as he is vested with when sitting on the bench of the appeal court, both sides regard themselves as morally bound to comply loyally with the verdict. It is significant that twice in 1895 the matter of wages was brought up on appeal from the conciliation board to Lord Davey, and on both occasions Lord Davey's decision worked a reduction of wages, a decision that was accepted by the men without further action. Quite recently Lord Davey decided that the men were entitled to the August bank holiday, the granting of which the masters had tried to resist, and although the decision went against them the masters accepted it without demur.

As showing how perfectly the system works, and how successful it has been in preventing disagreements between employers and men which might lead to serious, costly, and dangerous strikes, Mr. John Wilson, M. P., the secretary of the association, states that last year not more than £5 (\$24.33) was drawn from the strike fund, and this only in one or two minor instances of such a trivial character as hardly to be worthy of notice.

A somewhat similar system, with some modifications, governs the relations between employers and employees in the South Wales coal mines (page 41).

Among the important trades where provision is not made for the appointment of an "independent chairman" or an umpire, results almost as satisfactory have been reached by the employers who form themselves into associations and, through a committee, meet a similar committee from the men and discuss any question affecting the rights of either side. This is the practice prevailing in the textile industry (page 48) and the engineering trade (page 22).

The foregoing shows in a measure how trade unionism has affected industry, but it may be properly termed the sociological side and not the economic, although anything that has a tendency to produce harmony between employers and employees, and especially to prevent or diminish strikes or other interferences with the steady output of mill or mine, must have a marked influence upon economic results. Taking up for consideration the vexed question whether the English trade union has exercised a malign influence in obstructing the use of labor-saving machinery or a more improved type of machinery, or whether it has by arbitrary and tyrannous rules and regulations hampered the employer in the conduct of his business or prevented a factory from being worked to its highest capacity, thereby decreasing

output and increasing cost—which is the strictly economic phase of the inquiry—one finds a more marked divergence of opinion than in any other line of investigation, and the reason for this can be quickly comprehended.

Trade unionists do not disguise the fact that the object of the union is to better the condition of the great body of wage workers, and they are firmly convinced that the improved conditions of to-day, which are in such marked contrast to conditions half a century ago, have been brought about principally through trade-union agitation and the struggle which organized labor has carried on for shorter hours, better sanitary surroundings, greater safeguards to life and limb, and a larger share of the profits of capital. Labor representatives unite in saying that labor has no objection to the employment of labor-saving machinery or the use of any method by which output may be increased and the cost of production decreased, provided that whenever it is possible by the use of improvements to increase the profits of capital some portion of that increase should be shared by labor. The defense of the workman always is that he must for his own self-protection take measures to prevent himself from being “exploited” by the unscrupulous employer, who, but for the power of the union, would take advantage of his needs and degrade the class to which he belongs.

On the other hand, the charge was made by more than one employer that the influence of unionism had been decidedly injurious to British industry, in that the unions, because of their unintelligent grasp of affairs, had become possessed of the perverted idea that if they could prevent the use of machinery employment would be found for a larger number of men, which would be for the advantage of the body of workingmen as a whole; and by the same reasoning if they could prevent men from working to their fullest capacity it would necessitate the employment of additional men, and the more men employed the better off all would be. It was not easy, however, to obtain specific instances of what is known as “ca’ canny.” Sir George Livesey, the chairman of the South Metropolitan Gas Works, cites it (page 37), so does Major Vane Stowe (page 46) and Mr. Brett (page 54). To offset this we have the testimony of Mr. Arnold F. Hills (page 29), Mr Gibb (page 62), and others.

Here again the conflict of opinion may lead to a middle ground which will once more enable a satisfactory and just conclusion to be reached. That in the past the trade-unionists as a class opposed with all their strength the introduction of labor-saving machinery, fought improvement in every form, and penalized the more efficient workman to the extent that it was impossible for him to profit by his superior natural advantages, higher skill, or greater industry, can not be controverted, and is reluctantly admitted by the most intelligent among the labor

leaders. Nor has this policy been entirely abandoned even to-day, but it exists in a less vicious form in unions embracing the more highly specialized trades and finds its greatest exponent where the general intelligence is lower. Thus the engineers, perhaps the most highly skilled labor in Great Britain, did at one time oppose the introduction of improved labor-saving machinery, and sanctioned, if they did not actually approve, "ca' canny," but to-day they make no objection to the use of any machine, provided they are not "exploited" by its introduction; and their official organ, the Amalgamated Engineers' Monthly Journal, has denounced "ca' cannyism" with as much vigor as would the organ of capital.

Referring again to the sociological side of trade unionism, there is substantial agreement that the unions have tended to elevate the status of the workman and have exercised upon him a sobering influence, in that there has been an endeavor to impress upon the members a sense of their responsibilities and a knowledge that any action taken by an individual workman which would lead to a dispute between that workman and his employer might fall on the whole body of workmen and cause them great injury.

The more important unions in England are strong financially and have large sums in their treasuries, some of them having real property, cash, and other live assets exceeding \$1,500,000. These funds are the sinews of war of the trade-unionist, and are used to support men who are out of work because of a strike or lockout, to pay sick or accident benefits, and in many of the unions to provide pensions when their members reach a certain age or have been subscribing members of the fund for a prescribed period. The members of these large unions are therefore in a sense capitalists, and they become possessed of the conservatism which is the inherent virtue of capital. They are ready to strike and to use their funds for the support of their striking brethren if a principle must be defended, but they are not reckless in money matters, and a full treasury, instead of being a standing menace to peace, has in practice proved one of its strongest safeguards. A further restraining influence has been the decision of the House of Lords in the Taff Vale case. A short history of this most important judicial decision as affecting the rights of labor will be found on pages 77-92 of this Bulletin.

Labor in England has always been the subject of special statutory enactment. In the old days these enactments often pressed with severe and repressive force on the worker; at the present time his rights are jealously guarded and he is accorded certain privileges which belong exclusively to him. Thus the trade unions acquire their legal existence by virtue of two acts of Parliament applicable only to them, which accord to such associations of workingmen certain distinct privileges possessed by no other association, whether formed to earn

money, to pursue scientific research, or merely for social companionship. A belief that the legislature intended to grant even greater privileges than in the opinion of the courts was the intention of the lawmaking power led to the unions exceeding their supposed legal rights and resulted in the Taff Vale decision. Parallel also are the employer's liability act, the workman's compensation act, the conspiracy and protection of property act, and the conciliation act, all special legislation in the interest of labor. Labor unionists claim that this legislation is due to their efforts, their agitation, and the influence which they have exercised on public opinion; employers challenge this assertion and contend that labor has simply shared in the general progress which the world has made.

What, however, is not open to discussion is the self-evident fact that such schemes as Mr. Arnold F. Hill's premium system (pages 25-28) and Sir George Livesey's profit-sharing plan (pages 33-37) are the direct results of trade unionism. Both the premium system and the profit-sharing plan are not unknown in the United States, but the profit-sharing system in force at the South Metropolitan Gas Works has features so unlike that of any similar scheme in this country that it has appeared to the writer worthy of being explained in detail. Sir George Livesey believes that it is the solution of what is commonly called "the labor problem;" that it not only insures perfect harmony between employer and employee, with the most satisfactory economical results, but also is to be approved because it is the only ethical relation that ought to exist between labor and capital. English employers are deeply interested in Sir George Livesey's methods. Some have not yet been converted to his doctrine. Others assert that the plan would not apply to the ordinary commercial undertaking, though it can be made to work successfully in the manufacture of gas, where the price of the product is determined by statute and the return of capital bears a fixed relation to the cost to the consumer, and perhaps in other public utilities owning monopolistic rights by the grant of municipal or other franchises, where price and dividends are narrowly limited by statute or ordinance. But Sir George Livesey who has devoted many years to a careful study of the labor problem and who is a sociologist as well as a keen man of business, does not share this view. He holds that by adjusting circumstances to conditions what has been done at the South Metropolitan Gas Works can be done, broadly speaking, everywhere with the same happy result that has followed in the great manufacturing concern of which he is the head.

Having explained the object sought to be obtained by the present inquiry, the methods pursued, and the salient features developed, there are now presented the views of representatives of capital and labor.

Mr. John Wilson, member of Parliament for Mid-Durham, is the

secretary of the Durham Miners' Association. Mr. Wilson is a practical miner, having worked in the pits both in England and the United States; in the latter country on the Monongahela and also in Illinois.

Thirty-three years ago the union was formed, and looking back over those thirty-three years and comparing the condition of the miners then with what it is to-day Mr. Wilson finds that it has immeasurably improved, and that improvement he ascribes almost entirely, if not solely, to the union. In the days when the union first came into existence the miner worked from ten to eleven hours per day; to-day his actual hours of labor are six and three-quarters. Not only has he gained the great boon of a shorter workday, but he has had his wages increased, and both have followed from the agitation carried on by the union and, if agitation was not successful, then by striking. Some of the trades of England are endeavoring to obtain an eight-hour day by statutory enactment, but the miners, Mr. Wilson says, are opposed to the eight-hour law because they are now better off without it, and instead of profiting by legislation that constituted eight hours a legal day's labor they would lose by it.

But, Mr. Wilson asserts, not only has the union improved the condition of the men, but it has, *pari passu*, helped the employers by steadyng the trade and creating a fixed set of rules, by raising the standard of the men, by making them more intelligent, and by imposing upon them a due sense of their responsibility and the obligations which rest upon them no less than upon their employers.

The charge so often brought against the unionist that he has been a detriment rather than an advantage, both to labor and to capital, because he has imposed foolish and unwarranted restrictions on output, the conduct of business, and the use of newer and more scientific methods and appliances, is emphatically denied by Mr. Wilson. He says the unionist, or speaking specifically his own union, has not in any way tried to interfere with the management of the business; and in regard to the use of labor-saving machinery the miners have never objected to its use, provided the employers did not gain all the benefit from its introduction. The employers are at liberty to do what they please so long as they remember that labor has a right to expect a share in whatever is contributed to the increased wealth of capital.

In referring to the Mine Workers' Association of America, Mr. Wilson stated that it was his belief, as a practical miner who has had experience in the United States, that the union tries to cover too much ground and endeavors to control too wide a territory, and that if the American miners would pattern after their English coworkers and have smaller and more compact organizations, such as the Durham Miners' Association, the result would be much more satisfactory. He also pointed out that if some method could be devised by which

employers and employees could be brought into more familiar and frequent contact, such as exists in his union, disagreements as they arise from time to time would be much easier of solution.

The Amalgamated Society of Engineers is the largest and in some respects the most important and influential trade union in the United Kingdom. Its last report showed a membership of 95,000, of whom 53,259 were fitters and 25,522 were turners (called machinists in the United States), 5,467 were blacksmiths, and the remainder were men (mostly pattern makers) who worked in various other branches of the trade, and stationary and marine engineers.

The society erected and owns a fine building in Peckham, London, worth £12,500 (\$60,831), which is used solely for the general offices of the society and the residence of the general secretary, who is paid £4 10s. (\$21.90) a week, with free rent, coal, and gas.

Any man who has served five years at his trade and is recommended by two members in good standing as a capable mechanic, and is in receipt of the standard rate of wages in his district, is eligible to membership. It should be noted here that the hours of labor and the rate of wages are not uniform in the trade in all parts of the Kingdom, but vary according to local and other conditions, and are determined in each district by the local branch of the society. The moral qualifications of applicants for membership are supposed to be inquired into before admission, but it is admitted that they are not closely scrutinized; on the other hand members who are considered undesirable, or who for any cause have been guilty of conduct which makes them objectionable or tends to cast discredit upon the society, are expelled. The result has been that the standard of membership is being continually raised, as members are reluctant to stand sponsor for men whose characters may cause their expulsion. Any man who has received six months' sick or "donation" benefit—the latter paid when a member is out of work—must fully satisfy the society that there are good reasons for his receiving relief. It is assumed that a man who is unable to find work for six months, or who is sick for that length of time, is responsible for his condition and is of little value to himself or his fellow-craftsmen. The burden of proof is placed upon him to prove the contrary.

Mr. George N. Barnes, the general secretary of the society, said to the writer:

That the unions have increased production, I think, can be quite clearly demonstrated. By insisting on high wages they have given a stimulus to employers to substitute modern instead of the former lackadaisical methods, and sometimes in cooperation with employers' associations have been the means of the use by employers of machinery. Let me explain this and make myself understood so that there will be no wrong impression created. It is quite true that up to a few years

ago, say ten years ago, some unionists sought to prevent and hamper the introduction of machinery, but since then the matter has been thrashed out and has been settled because the men have seen that they can not oppose progress and it is useless for them to think that they can stand in the way of the use of machinery. The rank and file, against the advice of their leaders, opposed machinery. Trade-union leaders in modern times have not done so, and to-day it is only the extraordinarily stupid man who thinks he can prevent the adoption of the latest and most improved forms of labor-saving machinery. Furthermore, what some leaders now insist on is not only that there shall be no opposition to the use of machinery, but that men shall use their machinery to the best advantage. Remember, of course, that while I talk in a general and broad way about unionism, I am referring more especially to my own trade and my own society.

I said a few minutes ago that the unions have given a stimulus to the employers and forced them to the use of better methods and more advanced manufacturing processes. The reason for this you can readily understand. The unions have been the means of obtaining for their members better wages and shorter hours, and it follows as a matter of course that the employer, to compensate himself for the increased cost of labor, has been forced to obtain from labor the highest return of productive energy. He could not do this by sweating his men or by making them work excessively long hours, because the union would not permit that, and therefore he had to seek his compensation by increasing the productive output of his factory by the use of the latest and most approved machinery. You will find in all unorganized trades the use of not only crude methods but antiquated processes of manufacture. It is noticeable that in the most highly organized trade in this country—that is to say, the most highly organized on both sides, both on the part of the employer and the employees—the cotton-spinning industry, only the best machinery is to be found, and the most advanced methods prevail.

It has often been asserted that the unions are extremely selfish and tyrannical; that they are stupidly insistent upon what is termed the rights of the workingman without giving any thought or consideration to what are clearly the rights of the employer. Now, to be perfectly frank and honest, it may be admitted that a certain part of this charge is true. There have been instances when the men have sought to obtain an advantage, when they have even attempted to interfere with the conduct of the business, when they have objected to the use of certain machinery, and to that extent they have retarded and interfered with the proper conduct of business. But everyone knows the reasons. In the industrial field labor and capital were in conflict, and worked as opposing forces instead of a united force for a common end. I am not defending labor, or making any excuses or apologies for what I think requires neither excuse nor apology from me. I am merely stating facts, and it is largely owing to the influence of unionism and to its having provided a bridge to connect the two sides that much of this friction has disappeared and the relations between employers and men are so much better than they were in the past. Formerly there was an impassable gulf; to-day one may say, speaking with due moderation, that although that gulf is there it is not nearly so wide nor so deep as in former days, and the means of crossing it are now so easy and so many that it no longer offers the obstacle which it did in a time even so close to the present as ten or fifteen years ago.

Now, just a word as to the charge of selfishness. I do not think because men are members of a trade union that they are any more selfish or any different from men outside a union or from men generally. They have the same vices and the same virtues, the same defects and the same good qualities. They are looking out for their own interests, trying to get the most out of life, and trying to make life as easy as possible for themselves as a whole; and yet it should not be overlooked that the cardinal principle of trade unionism is that an injury to one is an injury to all, and that anything that is supposed to be a benefit to one is really not a benefit unless it is a benefit to labor as a whole. For instance, although repeated efforts have been made to unionize women, it has always been a rank failure, the reasons for which it is not necessary that I should enter into here; yet, indirectly, the position of women has been greatly advanced because of the continual agitation on the part of trade unionism, as a whole, for the passage of better and more humane factory acts, and that agitation has resulted in most important reforms. Our society, for instance, has no direct concern in laws affecting the employment of women and children, because, as you are aware, women and children are not employed in our trade, yet we have always taken our full share in trying to ameliorate the condition of female labor, because we recognize that it is for the advantage of all to improve their condition, and it is a matter of such vital concern to us that we can not selfishly ignore wrongs that we know to exist. As one concrete instance of this I call your attention to the fact that last year an act of Parliament was passed decreasing the hours of labor in textile factories one hour a week, and I unhesitatingly say that this boon to women and children is largely due to the efforts of the trade unions.

Another great reform must assuredly be placed to the credit of unionism. In the old days what was known as the "truck" system largely existed, which was one of the most formidable obstacles to the workingman improving his condition. Men were not paid their full wages in money, but were paid in store orders, and for everything they obtained at the company's store they were charged exorbitant prices, with the result that often at the end of the month not only they did not receive any money for their month's labor, but they were frequently found in debt to their employer. Under this system they were virtually reduced to a condition of slavery, and were tied to their place of employment because, being in debt, they were unable to leave until their indebtedness was liquidated, and they did not have even a shilling to take them to another place or to support them while they were looking for work. The "truck" system has now been abolished, weekly payments are now almost invariably the rule, and every man is paid directly by his employer instead of through a foreman or some other agency, so that there is no chance of a "rake off," as you say in America. Also the contract system, what you know as sweating, now exists only in unorganized trades and home industries. All these reforms have been largely brought about through trade unionism.

Now, to answer the charge so frequently made that we impose restrictions upon employers and insist upon regulations which hamper production. It is quite true that we do impose restrictions to protect the men so as to protect their health and efficiency, which tend to improve their general welfare and elevate their condition, but we regard these things as of more importance than an enormous production accomplished only at the expense of physical deterioration and

the degradation instead of the uplifting of the great body of wage workers. Not only do we regard it as vitally essential to protect the great body of workingmen against the cupidity and in some cases the inhumanity of their employers, who are always more competent to safeguard their own interests than are their men, but also do we deem it essential to protect the great body of workingmen from the unscrupulousness and superior strength of the individual worker, because while the individual may profit from the possession of certain physical or other powers, he can do so only at the expense of the great body of his fellow-workers. To that extent the charge that we impose restrictions is a charge which I am perfectly willing to admit, but it is done in the interest of the men, and is for the advantage of the community; in the long run it is for the good of employers as well as the good of the employees; it is not for the benefit of any one particular trade or industry or any small class of men, but for the people of England as a whole. In some of our districts the men will not under any circumstances work on Sunday. Some employers object to this, and regard it as a vexatious and annoying regulation which causes them great inconvenience when repair work has to be done in a hurry. Quite so, from the standpoint of the employer, but from our standpoint, if the men of the district, either from conscientious or economic reasons, object to work on Sunday, is it not perfectly fair and proper that they should not be compelled to work on Sunday, but should have that day to themselves for rest and reasonable recreation? In some of the districts there is no prohibition against Sunday work, but it must be paid for as double time; in other districts the men will not work overtime more than two whole nights in the week, and then it must be paid for at the rate of time and a half. All these regulations are made, not in the interest of the exceptional individual or to embarrass or harm the employer, but simply because we believe they are for the greatest good of the greatest number.

So far as we are concerned we do not limit the number of apprentices, and instead of being opposed to the apprenticeship system we are, on the contrary, strongly in favor of it. We regard it as a good thing, because the system maintains the general level of skill and keeps the trade up to a high standard. In America we have noticed that your trades are recruited not from the apprentices who have acquired their trade by careful training, but from the handy man, who picks up rather than carefully learns his business. The result, I believe, is not for the advantage of American industry. We notice that in the American factories a large number of the foremen are either English or Germans or Scandinavians, and we attribute that to the fact that the foreigner who has served his time as an apprentice has a better all-round training than the American, who is very apt to be specialized in a particular branch of the trade.

In one respect at least we are much more liberal in this country than are the workingmen in America. American unionists object to work with British union men or with nonunion men; here we make no objection to union and nonunion engineers, or to British and American union men being fellow-workers, provided wages do not suffer in consequence, and all are competent, and consequently good work is done. Of course, we believe that all men in our trade should be members of the union, because we think it for their advantage, but if men are so foolish to their own interest to remain outside of the union, that is their affair, and while we may regret it we are not going to deprive

them of their means of earning a livelihood because they are not sensible enough to see what is for their own advantage. Moreover, if American engineers—or machinists, as they are termed in America—come here we welcome them, but if our members go to the other side they are molested by the American unionists, who are just now somewhat narrow in this respect. However, this will, I believe, pass away as we get to know one another better.

The unions have conferred two benefits on the workingman. They have increased his wages and reduced his hours—the increase of wages being fixed by unionism and custom. Broadly speaking, that is the most important thing they have done for labor, and they have accomplished that by having been able to negotiate with employers, which was impossible so long as the men were unorganized, and it was only possible when they became a cohesive force and were able to be represented by delegates who spoke for them as a unit, and also because the men, through their unions, were able to have trained men to represent them, which placed them more on an equality with their employers.

Indirectly the unions have been an educational force in the country. It is impossible for men constantly to meet and discuss economic, political, and social questions without profiting by this interchange of thought, without their horizon widening; and these discussions, and the contact of man and man, are having a distinct educational value. More and more unionists are taking part in political affairs.

Mr. Barnes was asked if in his opinion the unions have done anything to lessen intemperance, to which he replied:

Certainly not directly. Unfortunately the meetings of our local societies are generally held in public houses (saloons), except in Scotland, where not a single district meets in a public house, and meeting in a place of this kind is apt to throw temptation in the way of our members. Of course there are many men who go to meetings and who do not drink, who never touch anything, but still it is a dangerous thing to gather in public houses. Nothing will decrease intemperance, in my opinion, except to improve the workman's general condition, and give him a larger outlook. When the union requires that a man to be a member shall be a man of good character, when it makes him pay the penalty of his folly or disobedience by refusing to associate with him if he fails to conform to proper regulations, it has done something to raise the standard.

The unions have encouraged better work. Through our journals we constantly impress on unionists the necessity for their taking an interest in their work, to do the best work possible, and to show up shoddy work.

But perhaps one of the chief reasons why unionism should command the hearty support of everyone is that it has improved relations between employers and their men. It has undoubtedly been the means of decreasing the number of strikes. Strikes are now regarded as the last resort, when all other means of settling differences have failed, and it is a fact that no persons are more opposed to strikes than the chief officials of unions. That is why union officials endeavor by every means in their power to avoid a strike, and reluctantly sanction it only when it is the last alternative, when a great principle is involved which justifies men in fighting; just as nations fight when not to fight would be to sacrifice national honor.

So far as this society is concerned, we have adopted measures which afford every opportunity for discussion and the bringing together of both sides before there is a stoppage of work. The society is divided into branches of not more than 300 members each, each branch electing its own officers and managing its local affairs, subject, of course, to the control and direction of the general governing body of the society. Branches are grouped into districts represented by a district committee, who have power, subject to the approval of the executive council, to deal with and regulate the rate of wages, hours of labor, terms of overtime, piecework, and general conditions affecting the interests of the trade in their respective districts. In case of a dispute the matter is discussed between the district committee and the local association of employers, usually through a small subcommittee, and if no agreement can be reached by them, the question is referred to the executive council of the society and the executive of the employers' federation. These two executive bodies meet as a rule once every three months and take up all the business which has accumulated in the interim, and generally they are able to reach an agreement, usually in nine cases out of ten.

In case of shop disputes the district committee has power, with the consent of the executive council, to take a vote of the members of the district upon the advisability of assisting the strike committee in the district by a local levy; but that levy must not exceed 6d. [12 cents] weekly during the continuation of the dispute. In the case of a shop dispute the members are not permitted to leave their employment without having first obtained the approval of the district committee. In such cases the rules provide that where any sections of the society can with advantage be exempt from being drawn out, their special cases shall be investigated with a view to the best interests of the society being conserved. No general strike shall be entered upon in any district affecting the whole of the members unless carried by a majority of three votes to two of the members voting of that district, and no settlement shall be decided upon unless accepted by a similar majority. The vote must be taken by ballot.

On the application of any district committee, where a dispute is existing, the executive council may apportion a sum from the general strike levy, which the council has the power to order, not to exceed 6d. [12 cents] per member per week, but which shall not be in force for more than one month without a vote being taken as to its continuance for the same period. No levies shall be enforced unless by the consent of the majority of the members voting, nor shall any levy continue in force longer than three months without a second vote being taken, and none of the money may be applied to the relief of men who are not members of the society.

In support of his assertions regarding the unionist view of the relations between employers and men, Mr. Barnes called attention to an article which he wrote for the Engineering Magazine, January, 1901, and also an article from his pen in the Amalgamated Engineers' Journal, the official organ of the society, January, 1901.

In the Engineering Magazine Mr. Barnes said:

The new unionism is frequently held up to opprobrium, as the disturber of the peace in questions of demarcation of work and kindred

troubles. The exact opposite is the fact. The new unionism seeks to prevent labor organizations being pitted against each other. Its leaders have actively opposed the fomenting of squabbles between rival trades. If at any time it has backed up the old unionism against an incursion of unskilled labor into a trade, it has not done so for the purpose of seeking privileges for one section at the expense of other sections of labor, but because convinced that such incursion would lead to overspecialization with attendant evils. It accepts specialization as inevitable, but desires to regulate the application of the newer methods arising therefrom, so as to make them harmonize with wider interests than those arising from mere considerations of production.

Again, the new unionism is often charged with restricting production, so as to spread work and employment over a larger number of men. This may have been at one time and for the reason stated, and it should not excite surprise if workmen had thus interpreted the theories once current as to the sources of wealth and wages. Trade-union organization has certainly been used at times to cover up malingering, but this by no means implies that trade unionism is responsible for a disposition, common to human nature, to rub along through life as comfortably as possible. It is no part of trade unionism, either old or new, to restrain production below a point consistent with the requirements of health and permanent efficiency; and the new trade-unionist, at all events, knows full well that the larger his production the larger, other things being equal, will be his wages; but, while believing in a fair day's work, the trade-unionist declines to be entirely guided by short-sighted views of production. He bases his case upon the broad basis of humanity, refusing to regard himself or his fellows as mere wealth-producing machines. Trade-unionists, both old and new, claim for workmen a voice in the fixing of the general conditions under which they shall work. Both are alike interested in protecting workmen from the admitted evils of piecework, from overspecialization of industry, from long hours of labor, and from low wages. If there is any difference between them on these points, it can be summed up in the different importance which each may assign to them.

In the journal of his society Mr. Barnes thus addressed his fellow-members:

Trade unions are being made the object of bitter attacks by certain organs of public opinion, and are being held up as the scapegoats responsible for the relatively better position now occupied by America and other countries, as compared with formerly, in the race for industrial supremacy. Trade-union leaders, it is being said, advocate restriction of output, so as to spread work and wages over a large number of workers.

These statements really emanate from certain rat employers, who from time to time are induced to unburden themselves in regard to the shortcomings of the British workman in general and the trade-unionist in particular. Now, it may be fairly claimed that these pages afford, at least, pretty good evidence as to the lead given as far as the Amalgamated Society of Engineers is concerned, and we might challenge our traducers to produce anything from them at any time which would bear out the accusations made. There has been much, on the contrary, to show that we are favorable to the rendering of a fair day's

work for a fair day's pay, and we believe that trade-unionist leaders generally have long outgrown the fallacy of a work fund or a wages fund. We believe that, speaking generally, wages increase with increased product, and that therefore it is to the interest of the workman, within certain limits, to do his best. Those limits are: Due regard (1) to his own health and permanent efficiency, and (2) to the condition necessary to foster and maintain a fellow-feeling among workmen.

Overtime, for instance, we believe to be injurious and a bar to education, therefore we oppose it; and we also oppose unregulated piece-work, because we know that thereby those who are physically strong and morally unscrupulous are used by some employers to set impossible tasks for the average man.

In a word, trade unionism exists—not to act as the bell horses to make up for capitalistic muddle or educational deficiency, nor to crucify labor for the purpose of retaining trade in any one country as against another—but for the purpose of securing such conditions as will conduce to the health, education, comfort, and permanent efficiency of labor.

But we are not averse to the greatest possible production, or to the adoption of any method of securing it, so long as the principle of mutuality is maintained and the standard rate of wages safeguarded.

Within those limits we have no right and no desire to restrain any man, and we know that trade-union leaders take, as a matter of fact, a far more enlightened view in these matters than is taken by the average workman.

Having stated our position, then, in general terms, we venture to add a few words on the subject which has recently exercised the minds of our journalistic critics. We believe that the competition of America can be met only by better workshop equipment and more thorough education. The first is a matter entirely for the employers, but the question of education is one in which the society might finally take some part. \* \* \* It occurs to our mind that the jubilee of the society might be fittingly celebrated by some scheme being inaugurated whereby young members or the sons of members could take part; but it must be on a wide basis. Education does not in our judgment consist only in training men to be producing machines, but should aim at making men think and inducing them to take an intelligent interest in affairs.

On July 13, 1897, as the culmination of a long series of disputes between the engineers and their employers, and a specific demand for an eight-hour day, a strike, or—as the men contend—a lockout followed. The dispute lasted from July 13, 1897, until January 31, 1898, when work was resumed without the concession of the eight-hour day having been won; 27,000 men were involved; the funds of the Amalgamated Society of Engineers were depleted by £207,140 (\$1,008,047); other trade unions contributed £69,457 0s. 1½d. (\$338,012.52); the contributions from abroad amounted to £28,399 7s. 5d. (\$138,205.54), and from the general public and other miscellaneous sources there were received £18,023 10s. 1½d. (\$87,711.39).

The loss to the employers and the damage done to the British engineering trade can never be known, but it was enormous, and the

strike or lockout is one of the most important in British industrial history.

As a result of the strike, employers and employees adopted the following agreement, which is now in existence and governs the conditions of the trade:

GENERAL PRINCIPLE AGREED TO OF FREEDOM TO EMPLOYERS IN THE MANAGEMENT OF THEIR WORKS.

The federated employers, while disavowing any intention of interfering with the proper functions of trade unions, will admit no interference with the management of their business, and reserve to themselves the right to introduce into any federated workshop, at the option of the employer concerned, any condition of labor under which any members of the trade unions here represented were working at the commencement of the dispute in any of the workshops of the federated employers; but in the event of any trade union desiring to raise any question arising therefrom, a meeting can be arranged by application to the secretary of the employers' local association to discuss the matter.

Nothing in the foregoing shall be construed as applying to the normal hours of work, or to the general rises and falls of wages, or to rates or remuneration.

ILLUSTRATION OF THE ABOVE GENERAL PRINCIPLE.

*Freedom of employment.*

Every workman shall be free to belong to a trade union or not, as he may think fit.

Every employer shall be free to employ any man, whether he belong or not to a trade union.

Every workman who elects to work in a federated workshop shall work peaceably and harmoniously with all fellow-employees, whether he or they belong to a trade union or not. He shall also be free to leave such employment, but no collective action shall be taken until the matter has been dealt with under the provisions for avoiding disputes.

The federation do not advise their members to object to union workmen or to give preference to nonunion workmen.

PIECEWORK.

The right to work piecework, at present exercised by many of the federated employers, shall be extended to all members of the federation and to all their union workmen.

The prices to be paid for piecework shall be fixed by mutual arrangement between the employer and the workman or workmen who perform the work.

The federation will not countenance any piecework conditions which will not allow a workman of average efficiency to earn at least the wages at which he is rated.

The federation recommend that all wages and balances shall be paid through the office.

## RATING OF WORKMEN.

Employers shall be free to employ workmen at rates of wages mutually satisfactory. They do not object to the unions or any other body of workmen, in their collective capacity, arranging amongst themselves rates of wages at which they will accept work, but while admitting this position they decline to enforce a rule of any society or an agreement between any society and its members.

The unions will not interfere in any way with the wages of workmen outside their own unions.

General alterations in the rates of wages in any district or districts will be negotiated between the employers' local association and the local representatives of the trade unions or other bodies of workmen concerned.

## APPRENTICES.

There shall be no limitation of the number of apprentices.

## PROVISIONS FOR AVOIDING DISPUTES.

With a view to avoid disputes in the future, deputations of workmen will be received by their employers, or by appointment, for mutual discussion of questions in the settlement of which both parties are directly concerned. In case of disagreement the local associations of employers will negotiate with the local officials of the trade unions.

In the event of any trade union desiring to raise any question with an employers' association, a meeting can be arranged by application to the secretary of the employers' local association to discuss the question.

Failing settlement by the local association and the trade union of any question brought before them, the matter shall be forthwith referred to the executive board of the federation and the central authority of the trade union, and pending the question being dealt with there shall be no stoppage of work, either of a partial or general character, but work shall proceed under the current conditions.

The rules of the Amalgamated Society governing the payment of "donations" and other benefits are as follows:

Any member of ten years' standing who is discharged or leaves his employment under circumstances satisfactory to the branch to which he belongs is entitled to donation benefit at the rate of 10s. (\$2.43) per week for the first fourteen weeks, 7s. (\$1.70) per week for the next thirty weeks, and a further sum of 6s. (\$1.46) per week for so long as he remains out of employment; but in no case shall he receive more than £19 18s. (\$96.84) in any period of fifty-two weeks. Members of less than ten years' standing but not less than five are entitled to 10s. (\$2.43) per week for the first fourteen weeks, 7s. (\$1.70) per week for the next thirty weeks, and 6s. (\$1.46) per week for the next thirty-four weeks, when the benefit terminates; and in no case shall a member of less than ten years' standing, receive more than seventy-eight weeks' donation benefit in succession. Members with less than five years' standing receive 10s. (\$2.43) per week for the first fourteen weeks; 7s. (\$1.70) per week for the succeeding fourteen weeks, and 6s. (\$1.46) per

week for the following twenty-four weeks; but in no case shall the benefit exceed fifty-two weeks in succession. Any member who has been paid benefit during the twelve months previously shall receive only the balance of the benefit to which he is entitled. Thus, a man who has received full benefit of 10s. (\$2.43) a week for any period short of fourteen weeks becomes entitled to a continuation of such benefit for a further period which would make up fourteen weeks, and so on.

Any member losing employment through neglect of his work, drunkenness, or disorderly conduct is not entitled to benefit until he has again been in employment at the trade eight consecutive weeks at the ordinary rate of wages. A man who from private objections refuses work, or neglects to apply for work when informed of a vacancy, is not entitled to benefit until he again obtains employment at his own trade and shall have received the ordinary rate of wages for four successive weeks.

A member thrown out of employment because of a strike for an advance of wages, or against a reduction of wages, or for other causes approved of by the district committee, or the council, as the case may be, is entitled to contingent benefits at the rate of 5s. (\$1.22) per week. Contingent benefit is limited to fifty-two weeks.

Any member who is sick, when such sickness is not due to drunkenness, disorderly conduct, or any disease improperly contracted, is, if a member of ten years' standing, entitled to 10s. (\$2.43) per week for twenty-six weeks and 5s. (\$1.22) per week so long as he continues ill, but not to exceed a total of £19 10s. (\$94.90) in the first fifty-two weeks. If he has under ten and not less than five years' membership, he is entitled to 10s. (\$2.43) per week for twenty-six weeks, and 5s. (\$1.22) per week for seventy-eight weeks, when the benefit terminates. If he has under five years' membership, he is entitled to 10s. (\$2.43) per week for twenty-nine weeks and 5s. (\$1.22) per week for thirty-two weeks. The member, on his recovery, must send notice in writing to the secretary within two days, or be fined 1s. (24 cents). No member receives benefit for less than three days, and no member is paid sick benefit for any day that he has partially worked. As in the case of donation benefit, the same deduction is made when members have received sick benefit within one year from date.

Any member who by accident or otherwise is permanently disabled and unable to follow his trade is paid the sum of £100 (\$486.65).

Any member of 55 years of age who has been for twenty-five years successively a member of the society, who is not in arrears, and who through old age or infirmity is unable to obtain the ordinary rates of wages or to follow his usual occupation, may receive the sum of 7s. (\$1.70) a week, or if thirty years a member, 8s. (\$1.95) a week; if thirty-five years, 9s. (\$2.19) a week; if forty years or upward, 10s. (\$2.43) a week.

The last (1902) annual report of the society showed an income account for the year of £353,402 1s. 6 $\frac{3}{4}$ d. (\$1,719,831.21), of which £331,206 16s. 2 $\frac{1}{2}$ d. (\$1,611,817.94) was received from contributions, fines, and levies. There was brought forward from December, 1901, a balance of £492,356 12s. 4d. (\$2,396,053.48), consisting of branch and office balances, amounting to £262,182 1s. 9 $\frac{1}{2}$ d. (\$1,275,909.14); general fund investments, £94,117 16s. 8d. (\$458,024.44); superannuation reserve investments, £135,856 13s. 10 $\frac{1}{2}$ d. (\$661,146.60), and moneys in transit, £200 (\$973.30), making a gross total of £845,758 13s. 10 $\frac{3}{4}$ d. (\$4,115,884.69). The expenditure for the year was £265,263 12s. 11 $\frac{1}{2}$ d. (\$1,290,905.54), of which donation benefits, travelers, etc., absorbed £87,029 2s. 3 $\frac{1}{2}$ d. (\$423,527.19); sick benefits, £50,199 15s. 3d. (\$244,297.14); superannuation benefits, £95,767 8s. 8 $\frac{1}{2}$ d. (\$466,052.22); general and branch officers' salaries, £10,711 19s. 8 $\frac{1}{2}$ d. (\$52,129.88); printing, stationery, postage, telegrams, salary of treasurer and other salaries not already mentioned, rent, taxes, insurance, and legal and other expenses, £21,555 7s. (\$104,899.11).

Mr. Arnold F. Hills is the president of the Thames Iron Works, Shipbuilding and Engineering Company, Limited, one of the largest shipbuilding and engineering concerns in London. The company employs in busy times from 3,000 to 5,000 men, and at the time this investigation was made had more than 4,000 men on its pay rolls.

Mr. Hills indorses unionism, because, in his belief, it led to better relations between employer and employee, after both had passed through a period of conflict. That conflict, as usually happens in the progress and evolution of society, resulted in a clearer and better understanding of the "rights" of both sides. The effect of unionism has been, in the opinion of Mr. Hills, to give the men a feeling of security and stability, without which no man can amount to much; and it has also had a tendency to steady and discipline the men. Furthermore, one of the results of the men combining and forming themselves into a union has been to make the employers form a federation, thus leading to two well-organized and disciplined hosts instead of two loose and disjointed bodies, one of which was engaged in isolated attacks, which the other was trying to repel. As a result, Mr. Hills, speaking from his experience in the management of his own great establishment, says that the relations existing between himself and his employees are, and have been, of the most friendly character for several years past, and there has been no strike of any consequence and no serious disagreement for the past ten years.

It should be stated, however, that the friendly feeling which undoubtedly exists between Mr. Hills and his workmen may be traced in part—and one would be justified in believing in a very large part—to the policy which has characterized his management of his company. The Thames Iron Works, Shipbuilding and Engineering Com-

pany presents the striking and extremely interesting anomaly of an industrial establishment working its men only eight hours a day, when nine hours constitute the normal day in the shipbuilding and engineering trade. It must not be understood from this that the Thames Company is the only concern where the eight-hour system prevails. There are others, both in and out of London, but all told they are in a decided minority, and concerns like Mr. Hills's and others, where all over eight hours a day is paid for as overtime, are brought in direct competition with firms whose normal day is nine hours, or one-eighth more. At the time of the great engineering strike and lockout, to which reference has been made, the Thames Company conceded the eight-hour day. Despite the fact that the hours in the Thames Company are shorter than those in most other establishments, Mr. Hills says that his company is able to make money and to hold its own with its competitors. He attributes this to the fact that the difference in time is more nominal than real. In shipbuilding yards working nine hours a day, there are three breaks as against only two in his establishment, and he estimates that each of these breaks means a loss of about ten minutes in the stoppage and resumption of work; and, furthermore, that when men work with only one division in their day's labor, instead of two, there is a further saving of time. Therefore this accounts for part of the hour, and the remainder of the time, in the belief of Mr. Hills, is compensated for by the better condition of the men in their being able to work as well at the end of the day as they are at the beginning. He says quite frankly that, without going too scientifically into the causes, the results are such as to satisfy him. Possibly also the amicable relations existing between employer and employee in the Thames Iron Works, and the satisfactory nature of their output and its cost, may be due to what Mr. Hills describes as the "good-fellowship system," which is practically what is known in the United States as the "premium system," and is based upon the workmen being able by superior diligence or more intelligent work to earn a premium on the normal amount of his labor based on the normal wage. In taking a contract for the building of a war ship, which is the principal work of the Thames Company, the basis of the estimate of the calculation is made on the amount of labor and materials per ton of construction, the unit of measurement being the ton. If the labor cost falls below this estimate the workmen profit by the difference and earn a premium on their wages.

How the "good-fellowship system" came into existence and its results are thus explained by Mr. Hills:

On July 9, 1889, the boiler makers went out on strike to secure the principle that no workman in their trade should be employed by the company except such as belonged to their union. This struggle lasted for over three months. It involved over 200 workmen and a loss of wages exceeding £3,000 [\$14,600].

Stirred by the combative example of their comrades, the laborers went out on August 23, demanding an increase of wages, with a minimum of 6d. [12 cents] per hour. This strike did not last long, breaking down of its inherent weakness, but it involved 1,396 workmen and a loss of wages of £1,785 [\$8,687].

On March 1, 1890, the joiners went on the warpath, demanding an increase of wages from 6s. 6d. [\$1.58] to 7s. [\$1.70] a day, and stayed out until June 23 of the same year. This strike involved 50 skilled workmen and a loss of wages of £1,560 [\$7,592].

A year later, on August 11, 1891, the engineers were infected with the same fighting frenzy, and called out their men, because at the time we had undertaken to repair a hydraulic press for Messrs. Samuda, with whom their union had a difference. This strike lasted only three weeks, till September 2, but it involved 236 workmen and a wage loss of £1,317 [\$6,409].

And finally, on November 24, 1892, the shipwrights, not to be left out in the cold, called their men out, demanding 7s. [\$1.70] a day for a forty-eight-hour week. This strike originally involved some 50 men, but it dragged on for more than eighteen months, and must have cost the shipwrights a wage loss of more than £7,600 [\$36,985].

Not one of these strikes effected the object for which it was instituted.

The good-fellowship system was established during the strike period in the year 1892. It laid down as a first principle that the interests of capital and labor were identical, and that every workman should be encouraged to take a direct personal interest in the product of his own hand.

It took the position that, beyond his normal weekly wages, every workman might, under well-devised conditions, be expected to earn more, both for the company and himself.

The labor value of every contract, and, so far as possible, of every job and piece was ascertained, and when the wage cost of production was less than the labor value thus ascertained the balance of gain was divided in monthly distributions among those who had earned it by extra skill and energy.

In the course of establishing a somewhat elaborate and intricate system many mistakes were made, but never to the disadvantage of the workmen. It was a bona fide attempt to break down the old vicious system of subcontracting, in which the ganger took all the spoils and sweated his men; and for the most part something more than justice was done to all whose work could be included under the new system of measurement and reward.

At all events, more than £80,000 [\$389,320] has been paid in good-fellowship dividends during the last ten years, and I expect that this amount will be at least doubled in the decade yet to come.

Two years after the establishment of the good-fellowship system the way lay open for the introduction of the eight-hour day, and I beg once again to repeat that it was only the good-fellowship system which made its introduction possible and its experience a practical success. Theorists and doctrinaires may demonstrate to their own entire satisfaction that the deduction of one hour from the day's work must, under the present conditions of international competition, prove the inevitable prelude to England's commercial destruction; but, after all, the proof of the pudding is in the eating, and we of the Thames Iron Works have no cause to complain of our adoption of the eight-hour day.

What are the facts? The eight-hour day, or, to speak more correctly, the forty-eight-hour working week, was introduced into our works on April 26, 1894. Here are the annual wage bills for the nine years preceding and the nine years subsequent to its establishment:

	£	s.	d.		£	s.	d.		
1885 ...	164,086	16	2	[\$798,528.45]	1894 ..	106,243	15	1	[\$517,035.23]
1886 ...	142,852	5	10	[695,190.68]	1895 ..	152,916	18	6	[744,170.21]
1887 ...	115,263	4	5	[560,928.46]	1896 ..	165,637	0	11	[806,072.68]
1888 ...	137,355	8	2	[668,440.10]	1897 ..	231,415	9	9	[1,126,183.47]
1889 ...	113,192	12	6	[550,851.91]	1898 ..	265,209	12	3	[1,290,642.58]
1890 ...	182,606	18	11	[888,656.70]	1899 ..	279,115	2	8	[1,358,313.80]
1891 ...	212,941	17	7	[1,036,281.66]	1900 ..	301,472	18	1	[1,467,117.89]
1892 ...	199,858	9	4	[972,611.23]	1901 ..	324,049	1	7	[1,576,984.84]
1893 ...	112,590	14	4	[547,922.72]	1902 ..	239,647	13	0	[1,166,245.29]
Total.	1,380,748	7	3	[6,719,411.91]	Total.	2,065,707	11	10	[10,052,765.99]

An increase in output, as measured in wages of over £70,000 [\$340,655] a year, or an average aggregate increase of 50 per cent, does not seem to indicate that the good-fellowship system and the eight-hour day have led to any decrease in orders, so far as our experience to date is concerned.

Let me make a comparison between five vessels of war built before the introduction of the eight-hour day and five constructed since. The mean average of labor (all trades) in the case of H. M. S. *Benbow*, *Sans Pareil*, *Blenheim*, *Grafton*, and *Theseus* was £28.66 [\$139.47] per ton; the mean average cost of labor (all trades) in the case of I. J. B. *Fuji* and *Shikishima* and H. M. S. *Albion*, *Duncan*, and *Cornwallis* was £26.85 [\$130.66] per ton, or a reduction of cost of £1.81 [\$8.81] per ton.

The total weight of metal in the five earlier ships was 21,261 tons, which at £1.81 [\$8.81] equals £38,482 [\$187,273].

The total weight of metal in the five later ships was 30,365 tons, which at £1.81 [\$8.81] equals £54,961 [\$267,468].

With regard to profits, of which the exact figures can not be published, it is sufficient to say that, comparing the same two periods of nine years, before and after the introduction of the eight-hour day, they have very considerably increased, while the losses incurred on unsuccessful contracts have during the later period been reduced by three-fourths.

The figures in regard to good-fellowship dividends paid to our workmen in excess of their standard weekly wages, which are the highest paid in any part of the United Kingdom, are equally illuminating. They are as follows:

	£	s.	d.	
1892 .....	4,804	11	9	[\$23,381.53]
1893 .....	2,503	16	8	[12,184.91]
1894 .....	1,112	16	5	[5,415.54]
1895 .....	5,852	2	6	[28,479.37]
1896 .....	5,081	13	5	[24,729.95]
1897 .....	7,774	5	7	[37,833.53]
1898 .....	15,390	4	7	[74,896.55]
1899 .....	13,135	6	1	[63,922.96]
1900 .....	11,976	6	0	[58,282.66]
1901 .....	9,579	8	8	[46,618.31]
1902 .....	4,984	17	7	[24,258.91]
Total .....	82,195	9	3	[400,004.22]

But this is not all. The true criterion of manufacturing progress is to be found not in quantity alone, but as it may be combined with quality. Cheap construction is good, but first-class craftsmanship is better. How do we stand in this matter? Self-praise is no recommendation, but I think we may with proper pride point to the fact that the I. J. B. *Shikishima* (which was designed, built, engined, armored, armed, and put through her trials in the record time of thirty months) has been recently made the flagship of the Japanese Navy, and we may note that the engines of H. M. S. *Duncan*, *Cornwallis*, and *Albemarle* have passed through the most extensive trials without even water on their bearings, and that the gun trials have been completed without damage of any kind.

A similar statement could not be made of any of the other vessels of this class, and therefore I think that I may fairly claim that with shorter hours and higher pay the right hand of the Thames iron worker has not lost its cunning.

Thus, up to the present time, whether we regard the actual business results of the good-fellowship system and the eight-hour day from the point of view of the shareholder, the workman, the output of work, the cost of construction, the quality of workmanship, or the increase of profit and reduction of loss, the verdict seems to be equally conclusive.

But the commencement only has been made, and truly does the Frenchman say, *c'est le premier pas qui coûte*. No one beside myself will ever know the seemingly insuperable obstacles of prejudice, ridicule, and ill will through which this experiment in the economics of philanthropy has had to make its way.

*Mais le jeu vaut la chandelle.* The candles of good-fellowship and the eight-hour day have been lit in the Thames Iron Works, and by God's good blessing they shall never be put out till they have lightened the dark places of industrial tyranny and heralded the dawning of the golden day.

At the time of the interview Mr. Hills stated that four-fifths of his men were members of the various unions. While no discrimination is made between union and nonunion men, and the only thing considered in engaging a man and retaining him in the employment of the company is his efficiency as a workman and his general conduct as a man, Mr. Hills admits that his preference is for union rather than for nonunion men, because, as a rule, the better class of mechanics belong to the unions and the union man is therefore apt to be the superior workman, and also because in any question affecting relations between employers and men it is on the whole easier to deal with unionized labor than with labor that is not organized into a union.

Mr. Hills said that in the earlier days of unionism there was a good deal of friction between unions and employers, owing to the somewhat tyrannical and arbitrary methods employed by the unions, but now they have become more reasonable and take a more sensible view of things, with the result that the unions of the men have led to the federation of the employers, and both sides find it easier to get along amicably. When asked whether he would abolish the union if he had the power to do so his reply was an emphatic No, and he added that

he had done everything in his power to promote unionism. His reason is that unionism, instead of causing differences between employers and employees—which is the opinion held by many employers—has the effect of disciplining and steadyng the men. It increases their efficiency, and also facilitates negotiations and communications between capital and labor.

Mr. Hills was asked whether the effect of unionism was to prevent or to make more difficult the introduction of labor-saving machinery; whether it tended in any way to hamper or restrict the conduct of business; whether it served to prevent men from doing the maximum amount of work, or using machinery or tools to the best advantage.

To these questions Mr. Hills replied that in the earlier days it was true that some of the unions had interposed an objection to the introduction of labor-saving machinery, but that time had passed and an employer could now put in all the labor-saving machinery he wanted and it would not arouse the antagonism of the men. Practically, he could make the same answer to the second question, because, as he had already said, the men did not try to interfere with the conduct of business, and he had already testified to the friendly relations which existed between himself and his employees. As to what is known as “ca’ canny” he could see no evidence of it, because although they were working only eight hours a day they were able to carry on a profitable business.

There is published quarterly by the Thames Iron Works an illustrated magazine—Thames Iron Works Quarterly Gazette—devoted to topics of interest to everybody connected with the plant. Mr. Hills called the attention of the writer to the Gazette for March, 1902, in which he defends with great vigor trade unionism and emphatically denies “that one of the great dangers by which our industrial supremacy is beset is the policy of the trade unions (express or implied) to encourage the restriction of output.”

For my own part, having now for many years had acquaintance with trade unions and the leaders of the labor world, I am prepared to affirm that this accusation of “ca’ canny” is not so much a charge as a calumny. It has been met and universally repudiated by the leading trade unions of the country and is, I believe, without substantial foundation or fact.

Let me repeat my own conviction as to the value of trade unions for the maintenance of British industry. Their function is not to hamper the employers, but to assist their members to a higher level of industrial prosperity. That in the main this worthy ideal has been followed may be easily seen from the articles on trade unions which have recently appeared in our Gazette. \* \* \* The engineers have always been somewhat aggressive in their methods, as I have myself known by painful experience, but, like all aggressors, they have had to learn that fighting does not pay in the long run, and that the true function of unions is education, concentration, and, above all, conciliation, that the adjustment of labor conditions may be continuously in favor of

their own members. Force is no remedy in industrial any more than it is in international politics, and the mailed fist is apt to dip unpleasantly deep into the pocket of provident reserve. \* \* \*

There can be no reasonable doubt that the trade unions of the country have, as a whole, rendered an incalculable service to organized labor. It needs only for amicable adjustment to be voluntarily made between the competing claims of capital and labor to secure the satisfactory settlement of the so-called industrial crisis of to-day.

In support of his assertion that the trade unions are something more than associations to encourage disputes and to support their members when on strike, Mr. Hills cited a series of articles which has appeared in the Gazette tracing the origin and growth of the principal unions embracing the trades employed at the Thames Iron Works. From these articles are gathered some interesting statistics relating to the income and expenditure of the unions, and especially to the amount expended under the heading, "provident benefits," that is, for the support of men out of work, due to causes other than strikes, such as accidents, trade depression, sick and funeral allowances, and old-age pensions. Thus, the United Society of Boiler Makers and Shipbuilders for thirty-four years expended £1,663,245 (\$8,094,182) for provident benefits, and £97,305 (\$473,535) for disputes. Since 1882 a table has been compiled showing the percentage of the cost of disputes to the whole income of the society. The highest cost was in 1884, when it amounted to  $8\frac{3}{4}$  per cent; the lowest was in 1900, when it was one-twentieth per cent.

In fifty years the Amalgamated Society of Engineers has expended for donation benefits £2,664,237 (\$12,965,509); for sick benefits, £1,156,024 (\$5,625,791); superannuation allowance, £1,153,491 (\$5,613,464); accidents, funeral, and benevolent funds, £531,425 (\$2,586,180), and "assistance to others," £319,716 (\$1,555,898). The society lumps the amount expended on disputes—that is, strikes—in the general benefit fund, so that it is impossible to tell what the percentage has been for strikes.

The Iron Founders' Society is one of the oldest trade unions in the United Kingdom. Since its existence it has spent in provident benefits £1,612,721 (\$7,848,307) and for dispute pay, £55,169 (\$268,480). The average cost per member a week for provident benefits has been 1s.  $\frac{1}{4}$ d. (25 cents), for disputes,  $\frac{1}{2}$ d. (1 cent), which means that for every half-penny the molders have expended to carry on industrial warfare they have devoted twenty-five times as much to succor the sick and aged, the injured, and the out of work.

On the vexed questions of the restriction of output the Iron Founders have officially placed themselves on record. In the annual report of the general secretary this language is used: "We favor restriction so far as not to allow a man to do as much for a time day's work as he would on piece, as, if one man with extraordinary strength

and ability were allowed to go on unchecked, others would follow, and in many cases it would be utterly impossible for them to do so. Still, we expect every member to do a fair day's work for a fair day's wage. This is stipulated in many of the branch by-laws, leaving the branches to say what shall constitute a fair day's work."

In forty-one years the Amalgamated Society of Carpenters and Joiners has spent £1,543,850 (\$7,513,146) for provident benefits and £220,177 (\$1,071,491) for dispute pay.

The United Pattern Makers' Association does not keep a separate account of provident and dispute benefits, so that it is impossible to tell with exactness the proportion that each bears to the general expenditure of the society. Figures are available, however, showing that from 1896 to 1901 the total amount expended on purely strike pay was £937 10s. (\$4,562.34), while the expenditure for sick and funeral benefits for the year 1901 was £2,804 16s. 10d. (\$13,649.76), which would indicate that the pattern makers, similar to most of the better managed and highly organized trade unions, devote most of their funds to the amelioration and improvement of their members rather than to support them while idle.

One of the largest employers of labor in London is Sir George Livesey, chairman of the board of directors of the South Metropolitan Gas-light Company, one of the three large companies furnishing the metropolitan area with gas. The area supplied by this company is 51 square miles, and the total number of its consumers is 252,677. In the opinion of organized labor Sir George Livesey is the bitter foe of unionism, for reasons which shall be more clearly explained later, but, despite this, several of the prominent labor leaders and officials of unions suggested that his views on the question should be obtained. When informed of the object of the writer's visit he said frankly that he was not regarded by some of the workingmen as particularly friendly to the unions, but notwithstanding his reputation he would endeavor to deal justly with the subject.

He came into the service of the company more than half a century ago and prior to that time his father had been in the service of the same company, so that practically his entire life has been spent in learning the business and managing it. With this experience behind him he is naturally regarded as one of the greatest authorities in his line in England, if not in the world, and his intimate knowledge of the British workingman and his character and peculiarities is exceeded perhaps by no other English employer of labor. At the present time some 4,000 men are on the pay rolls of the company.

In his opinion the union has been one of the factors in advancing and improving the condition of the men, and while it has not been an unmixed blessing, regarded from the standpoint of the employer, he is frank enough to say that the union has been the means in some cases

of increasing wages and decreasing the hours of labor. In many cases employers have looked too much after their own interests without regard for the interests of their employees, and if there had been no unions the conditions of the latter would have been harder. "I am afraid the unions have been necessary to prevent oppression," he remarked regretfully. He does not believe, however, that the unions have encouraged the men to do better work or to protect more carefully the interests of their employers. As he expresses it, each side has looked out for itself and not for the other, and while he admits that the decrease in the hours of the working day may be in some measure attributed to the unions, the increase in wages he should more largely attribute to the law of supply and demand and to the more humane conditions existing now, due to the general progress of society. In short, he sums it up by saying that the unions have hastened advances and retarded reductions, subject always to the general law of supply and demand.

In support of this assertion he cites the fact that unskilled labor, among which no unions exist, has obtained much greater advances in wages than skilled labor with its unions. In the thirties unskilled or common labor was paid 2s. 6d. (61 cents) a day of ten hours, or 3d. (6 cents) an hour; in the forties wages had increased to 3s. (73 cents) a day for the same number of hours, and that rate of increase has been maintained so that now that class of labor which in the thirties was paid 3d. (6 cents) an hour is paid from  $6\frac{1}{2}$ d. (13 cents) to  $7\frac{1}{2}$ d. (15 cents), and it is a better, a more intelligent class.

The South Metropolitan Gaslight Company is an industrial establishment of particular interest to the investigator of economic and sociologic problems, because it is probably the only concern in the world where the shareholders (that is, the proprietors), the purchasers (that is, the public), and the producers of the product (that is, the workmen) are members of a joint partnership to the extent that the lower the selling price of gas, almost paradoxical as it may sound, the higher the rate of dividend paid to the shareholder; and the lower the price of gas, which is of course an advantage to the consumer, the higher the wages of the men. It will therefore be apparent that it is to the interest of all concerned that gas shall be sold as cheaply as possible, and unlike any other business, where the greater the price paid by the consumer the greater the return to the proprietor, here the amount of the dividend rests upon a reduction of price.

This unique economic paradox is due to two causes. So far as the public is concerned it owes its existence to the act of Parliament regulating the price of gas and dividends; so far as the employees are concerned it is the direct outcome of an attempt made by the Gas Workers and General Laborers' Union to regulate the conduct of the company's business, and a determination on the part of the company

to resist outside interference and to submit to no meddling with its affairs.

By act of Parliament the divisible profits of the company rest on the price charged for gas. The initial or starting point is 3s. 1d. (75 cents) per thousand feet. At that price to the consumer the shareholders' dividend may not exceed 5 per cent. For every reduction of 1d. (2 cents) charged the consumer the shareholders become entitled, by the company's act, provided of course that the money is earned, to 2s. 8d. per £100 ( $\frac{1}{100}^3$  per cent) additional dividend; and on the other hand, should the price of gas be raised the dividend is reduced 2s. 8d. per £100 ( $\frac{1}{100}^3$  per cent) for every penny. It is, therefore, to the interest of the shareholders that gas should be sold as cheaply as possible. But the act of Parliament in applying the principle of the sliding scale to the public and the shareholders did not apply it to the employees of the company. Consequently, they had no direct interest in the price at which gas was sold.

In 1889 the company had a serious strike, the culmination of a long series of disagreements between it and the union relative to wages, conditions of employment, etc. To bring about peace, the company, on November 6 of that year, adopted the bonus or profit-sharing scheme with the "sole object," as stated in the report of the directors of that year, "of attaching the men to the company and securing their interest in its working. The mechanics and yardmen, with few exceptions, were not members of the union, and they almost to a man gladly and promptly accepted it. Acceptance was perfectly voluntary, but the stokers, guided by their union executive, almost to a man declined, and there the matter might well have rested, for no pressure was brought to bear upon them and they might have continued to work on the existing conditions. Although they had repeatedly said they were satisfied with their pay, they demanded the bonus in the shape of a weekly increase of wages, which was quite out of the question."

The union then demanded the discharge of three unionists who had signed the bonus agreement, and on the company rejecting this demand the men went on strike, the strike lasting two months, although the company was able to secure new men and keep its plant going with some inconvenience and at a largely increased cost. "The direct cost," the directors stated to the shareholders, "has been very heavy, probably no less than £50,000 (\$243,325), while the indirect expenses and losses may amount to about half that sum in addition. In consequence, a dividend of 12 per cent was declared for that year, instead of  $13\frac{1}{4}$  per cent as at the last report."

Sir George Livesey conceived the plan of giving the men a direct interest in efficient and economical production by paying them a bonus on their wages based on the price of gas, this bonus to be at the rate of 15s. per £100 ( $\frac{3}{4}$  per cent) on the annual salary of officers and the

wages of workmen for each penny (2 cents) at which gas sold below 3s. 1d. (75 cents) per 1,000 feet. At this scale if the gas was sold at or above 3s. 1d. (75 cents) per 1,000 feet there is no bonus; at 3s. (73 cents) the bonus is  $\frac{3}{4}$  per cent; at 2s. 11d. (71 cents),  $1\frac{1}{2}$  per cent; at 2s. 10d. (69 cents),  $2\frac{1}{4}$  per cent; at 2s. 9d. (67 cents), 3 per cent, and so on down to 2s. (49 cents), when the bonus would be equivalent to  $9\frac{3}{4}$  per cent.

One-half of the bonus is required to be invested in the names of three trustees in the company's ordinary stock until the amount credited to any profit sharer is sufficient to give him a stock certificate in his own name; the remaining half of the bonus is withdrawable at a week's notice, but it may be left in the company's hands to accumulate at interest, or it may be invested in stock with the trustees.

The bonus is paid only to those employees who work under written agreements to serve the company for various periods, not exceeding twelve months, with a proviso that any individual can leave by consent (which is always given) at any time, the directors reserving the right to refuse agreements to any man and to withhold the agreement in case a man has not shown a proper interest in his work. To prevent discrimination or favoritism no foreman is allowed to withhold agreements, which can be done only by action of the officers of the company. The bonus is calculated on the daily wages earned by the workman in the course of a year, overtime not being considered. No deduction is made for sickness unless the total amount of sickness exceeds two calendar months in any one year, and then only the excess over the two months is deducted. No bonus is earned until the end of the fiscal year (June 30) or the expiration of the agreement, and no employee is entitled to any part of the bonus until such times, except in case of death or on leaving the service of the company. When the bonus is earned and declared it becomes the absolute property of the employee, and under no circumstances whatever, except fraud, can the bonus, or any part, or any of its accumulations, whether in the hands of the trustees or in the name of the employee, be forfeited.

The bonus fund is managed by a committee of 36 members, of whom 18 are workmen and the remainder consist of the chairman of the board of directors and 17 members elected by the directory. A quorum consists of 17 members, of whom no fewer than 8 shall be workmen. This committee appoints 3 trustees—one director, one officer, and one workman—in whose names the bonus and the dividends as they accrue are annually invested in the company's ordinary stock. Any employee can at any time sell his stock at the market price on application to the secretary of the profit-sharing committee, but any employee selling his stock to an outsider without the consent of the secretary of the company at once ceases to be a profit sharer, notwithstanding any agreement he may have signed. In explanation

of this restriction it is said that at one time it was discovered that publicans and other undesirable persons were buying the stock from the men at a discount, and it was to discourage this and to prevent outsiders from profiting by the company's liberality that the rule was adopted. Any difference arising as to the construction of the rules adopted by the company shall be referred to the committee, whose decision shall be final, and no alteration can be made in the rules without the sanction of the committee. The company provides all necessary books and other incidentals and keeps the accounts and records without charge to the committee.

The result of the profit-sharing scheme has amply justified the most sanguine hopes of its promoter, who says it has been worth many times more than its cost. Sir George Livesey relates as proof of its economy that on one occasion he was explaining the scheme to one of the largest manufacturers in the north of England and said to him: "Is it not worth 5 per cent to feel that your men are contented and satisfied with the terms of their employment?" and the answer of the manufacturer was: "Five per cent; it is worth 20 per cent, and is cheap at that!"

Sir George Livesey says that in proposing the profit-sharing scheme, which at that time was an experiment fraught with a good deal of risk and more liable to failure than to success, he had two distinct and well-defined objects in view. One was to attach the men to the company and thereby improve the relations existing between the company and its employees, the other was to benefit the condition of the men. "Employers," he says, "must work in the direction of partnership with their men; in other words, they must make them partners in their business so as to make them take an interest in their work and achieve the best results for both. The interests of both are identical and not antagonistic, and that both sides ought to recognize."

Since the profit-sharing scheme went into operation the company has not discriminated between union and nonunion men. At the present time both union and nonunion men are employed, and work side by side and apparently without friction. Whenever a man is engaged no question is asked whether he is or is not a member of a union; the nonunion men do not object to the presence of union men except in those rare cases where the nonunion men have reason to believe that the unionists are not working for the best interests of the company. To use Sir George Livesey's words: "The men work very comfortably together."

He is firmly of the opinion that the scheme has done more for the men than the union could have accomplished, and he is equally firm in the opinion that the company has profited by it. So far as the men are concerned he is convinced that they are better off, because not only are they paid the same wages that are paid by all the other met-

ropolitan gas companies, but in addition they receive the bonus, and the company deals liberally with them in the matter of holidays, contributions to sick and benefit funds, and in other ways. He remarks that the attitude of indifference and the look of sullenness which was formerly so noticeable on the face of the workingman has disappeared and given place to one of content. Foremen are greeted with a pleasant "good morning," and give the same in return. He says that the cheerful, contented, satisfied workingman is worth all that he costs.

That the company is better off by the present arrangement, and this means in the last analysis the public, because under the mutual arrangement the cheaper the gas can be produced the lower is the price to the consumer, has been quite clearly demonstrated by the figures of cost in one important branch of gas manufacture. At the time when the union was strongest it cost the London companies from 2s. 6d. (61 cents) to 2s. 8d. (65 cents) per ton of coal for the labor of handling the coal and removing the coke, what is known as the retort-house work, all the companies paying the same wages. The demands made by the union and the restrictions it imposed resulted in increasing the cost about 1s. (24 cents) per ton. After the South Metropolitan Company broke with the union the cost to that company for such work was gradually reduced to the old figures, or even a trifle below, while the other metropolitan companies have been able to effect a reduction of only a few cents; but, Sir George Livesey points out, this economy has not been reached by reducing the rate of wages or increasing the hours, in other words, not by sweating or exploiting labor, because exactly the same wages for the same number of hours are paid by all the companies. It is the result of his company having overthrown the tyranny of the union, and it is the better work done by men who are more satisfied and who take a greater interest in their work. Much of this economy, he admits, is due to the introduction of machinery for drawing and charging the retorts, but he calls attention to the fact that machinery had been of little use to the other companies because the union would not allow them to obtain its full benefit, having imposed restrictions and regulations which prevented the machinery from being worked to its highest capacity. These other companies are now making better use of machinery and other labor-saving devices because the Gas Workers' Union, he says, has lost its power, and no longer exercises the dominant influence that it did at the time when he had his great contest with it. As proof that the men will use machinery to the best advantage when they are not prohibited from so doing by the rules of the union, he says that it has been found necessary to fix a limit of work upon the retort-house men, otherwise they would do more than they properly ought to do. Further, he said:

Any system of profit sharing that treats all employees alike, the efficient and the less efficient, and pays them all an equal bonus, is in my

opinion a bad system, and has been one of the reasons why profit-sharing schemes have not been successful. When that system exists the men simply look upon the amount of profit as so much extra wages which they will receive in any event, which does not depend upon the character of their work. In our case the men know that only those are entitled to a share in the profits who have signed the agreement, and because an agreement may be withheld in the case of a man whose work has not proved satisfactory, they strive to do their best to entitle them to receive the agreement. Men value these agreements so highly that on the day they expire they apply for a renewal, and in many cases the wives come with their husbands and take charge of the agreements when they have been delivered, so important do they regard them.

The unions, I believe, have been an enormous injury to industry. Take the case of the bricklayers for example. By common consent it is admitted that a bricklayer some few years ago could lay 1,000 bricks a day, while now the average day's work is 400 or less. The whole tendency of unionism is to give as little and get as much as possible. Still I am bound to say that this also has been the principle of some employers; but what I am afraid of is that the union looks only on one side of the question. I think there is no doubt that the unions have restricted the use of machinery, and that the unions are largely responsible for many disagreements between employers and men. The old days of the tyranny of the employers have gone, but the tyranny of the union is still with us.

It is worthy of mention that in August, 1903, the price of gas was 2s. 3d. (55 cents) per 1,000 feet, or 10d. (20 cents) below the standard; therefore the annual bonus was equivalent to  $7\frac{1}{2}$  per cent on wages and salaries. The bonus has fluctuated with the price of coal. In 1892 the bonus fell from 5 per cent to 3 per cent; in 1900 it dropped from 9 per cent to nothing, and started again at  $3\frac{3}{4}$  per cent in 1901. The men, however, accepted the position cheerfully, and relaxed none of their interest in the company.

The company's semiannual report for June 30, 1903, showed that the employees had £190,000 (\$924,635) in the stock and on deposit at interest with the company, an average of about £45 (\$219) a man.

Sir George Livesey is a director in the Crystal Palace District Gas Company, and through his influence the profit-sharing and agreement system has been adopted by the company. Although it has been in operation only a short time the results are satisfactory, and as much for the benefit of the company as they are for the men.

The South Metropolitan Gas Company has also established an accident fund, which, by mutual agreement, is a substitute for the workman's compensation act, 1897. (<sup>a</sup>)

All men employed by the company in receipt of weekly wages are invited to contribute to the fund and become its beneficiaries, the fund

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<sup>a</sup>See Bulletin of the Department of Labor, No. 32, January, 1901: The British Workman's Compensation Act and its Operation, by A. Maurice Low.

to be used to compensate the men for loss by reason of accident while in the employ of the company. Every man in receipt of weekly wages exceeding 21s. (\$5.11) pays  $\frac{1}{2}$ d. (1 cent) a week; men whose wages do not exceed 21s. (\$5.11) a week pay half that sum and receive half the benefits. The company contributes at least twice as much as the men. The scale of compensation is as follows:

Minor or slight accidents, disabling for not less than three days or more than a fortnight, entitle members to benefit at the rate of 12s. (\$2.92) a week, excepting those men who subscribe an extra 3d. (6 cents) per week to the sick fund, who receive, in addition to the accident allowance, the weekly payment to which the extra 3d. (6 cents) entitles them according to the sick-fund rules.

Serious accidents, causing incapacity for more than a fortnight, entitle members to the benefit at the rate of 18s. (\$4.38) a week.

The benefit for accidents clearly caused by the negligence of the company or its officers is 24s. (\$5.84) a week.

Any member whose injuries have been caused by his own "serious and willful misconduct," whatever may be the period of disablement, receives nothing from the accident fund, but if he is a member of the sick fund, receives benefit therefrom according to its rules.

In addition to the money allowance free medical attendance is furnished.

The company pledges itself to find work for injured men on their recovery (except those men whose injuries are due to their own "serious and willful misconduct") at not less than 24s. (\$5.84) a week, if the wages exceeded that amount, and for those injured by the negligence of the company, at not less than four-fifths of the day wages previously received, and in no case less than 24s. (\$5.84) a week, if the wages exceeded that amount.

In case of permanent incapacity to do any work, the profit-sharing committee decides what permanent weekly allowance or lump sum shall be paid, in addition to any pension from the superannuation fund to which the injured man may be entitled, but the total shall be not less than he could have obtained under the act of 1897.

The amounts due at death from sick and superannuation funds shall be paid, and a pension of not less than 10s. (\$2.43) a week shall be granted to the widow while leading a respectable life or until remarriage, at which time a sum not exceeding £10 (\$48.67) shall be paid her. However, the profit-sharing committee may, according to circumstances, grant, during the first three years, any amount not exceeding £1 (\$4.87) per week, which amount may be reduced gradually to the minimum of 10s. (\$2.43) at the end of three years or sooner. If the deceased man was a widower leaving children dependent, or a man leaving other dependent relatives, the profit-sharing committee

shall decide what, if any, allowance shall be made, but it shall in no case exceed what would have been given had there been a widow with children.

The rules of the fund provide for a jury of twelve workmen to inquire into accidents and fix the responsibility. In order to secure an impartial jury, an alphabetical list is made of men who have been in the company's service for three years, and in selecting a jury the names are taken in the order in which they appear on the list. The jury is required to hear evidence, and, to the best of its ability, to arrive at the real cause of the accident, not hesitating to say whether any blame attaches to any official or workman, or whether the plant, machinery, or means of protection are defective, if satisfied there has been any neglect, carelessness, or defect. The jury shall determine, if necessary, the class in which the injured man shall be placed, and in case of dispute the question shall be decided by ballot by a two-thirds majority. The jury shall sit in public—that is, in the presence of as many of the workmen as can conveniently attend without interfering with their work.

No alterations or additions to the rules can be made without the approval of two-thirds of the men, and nothing can be done that would make the provisions of the scheme less favorable to the men than the provisions of the act.

There has also been created a sick and burial fund and a superannuation fund (two separate and distinct funds), membership in which is voluntary and is not a condition of service. To the first the weekly contributions range from 3d. (6 cents) to 6d. (12 cents), and the relief from 6s. (\$1.46) to 18s. (\$4.38) per week; at death a sum of £12 10s. (\$60.83) is paid to the member's representatives; on the death of a member's wife he is paid £7 10s. (\$36.50). The company subscribes yearly such amount as may be required to insure the financial stability of the fund, and also bears all the cost of management.

Any workman over 18 and under 40 years of age may join the superannuation fund. The ordinary contribution to the fund is 3d. (6 cents) weekly, but 6d. (12 cents) a week may be subscribed, and entitles the subscriber to increased benefits. The company subscribes not less than 3d. (6 cents) a week for each man and guarantees the stability of the fund; the company also pays all expenses of management.

Every subscriber of not less than twenty-five years' membership shall have the right to claim his pension when he is 65 years of age, a contribution of 3d. (6 cents) a week for twenty-five years yielding a weekly pension of 11s. (\$2.68), and of 6d. (12 cents) a week 15s. (\$3.65), the scale rising to 17s. (\$4.14) and 23s. 6d. (\$5.72) a week, respectively, for forty-three years' membership. Any member who has subscribed for ten years to the fund and has been in the service of the company for not

less than twenty-five years, in the event of infirmity due to natural causes, shall receive weekly not less than 10s. (\$2.43); a member who has subscribed for less than ten years, in case of leaving the company's service for any cause (fraud and dishonesty excepted), is entitled to the return of all his payments; if he has subscribed for more than ten years, to a return of two-thirds of his payments, no interest being paid on the money thus refunded; a subscriber of not less than twenty-five years' membership and not less than 55 years of age, who desires to retire before he can claim his full pension, may, instead of drawing out his money, receive a reduced weekly or annual allowance, the reduction to be at the rate of 1s. (24 cents) per week if the member has subscribed 3d. (6 cents) per week, and 1s. 6d. (37 cents) per week if the subscription has been 6d. (12 cents) based on the scale for every year short of sixty-five.

The widow or dependent children of any member who has subscribed for less than ten years to this fund are entitled to a return of the whole amount of the member's payment; in the event of the member having subscribed for a longer period than ten years the widow or children are entitled to a return of three-fourths of the member's payments, but if the member has received benefit of less amount than the three-fourths of his payments, his widow or children are paid the difference.

In case a man leaves neither widow nor dependent children the amount of his contributions lapses to the fund.

The accounts of the various funds for the year 1902 show that 3,533 workmen contributed £2,398 13s. 9d. (\$11,673.21), to the superannuation fund, and the company £3,264 4s. 1d. (\$15,885.25), the payments from the fund being £3,394 17s. (\$16,521.04). On January 1, 1903, there was a balance to the credit of the fund of £36,636 19s. 5d. (\$178,293.82).

There were 4,422 contributors to the sick and burial fund, whose payments aggregated £4,178 17s. 3d. (\$20,336.43), the company contributing £1,486 5s. 6d. (\$7,232.96) to meet the deficiency. This entire amount was expended.

To the accident fund 5,544 men contributed £501 18s. 3d. (\$2,442.56) and the company, £1,120 15s. (\$5,454.13), the whole amount, with the exception of a balance of less than \$150, being used in paying accident benefits and in paying pensions to widows of workmen who lost their lives in the company's service.

Mr. William Brace is the vice-president of the South Wales Miners' Federation and a member of the central council of the Miners' Federation of Great Britain; he is also a member of the royal commission appointed to inquire into the coal resources of Great Britain, which is now sitting. Mr. Brace has never done any work except as a miner. The territory of the South Wales Miners' Federation comprises South Wales and Monmouthshire, and, in round figures, 150,000 men and

boys are employed. Practically every worker in the mines is a member of the federation.

For a number of years past wages have been regulated by a sliding scale, the selling price of coal being the factor in determining wages. The last sliding scale was signed in 1898 to continue for four years—after a seventeen-week's strike for the purpose of obtaining better wages. At the beginning of the strike the men were poorly organized and returned to work without having improved their condition. They immediately began a systematic organization and affiliated themselves with the national federation, which includes all mine workers except those working in the Durham and Northumberland coal fields. At the end of the four years the sliding-scale system was abolished and there was substituted for it a conciliation board to adjust the question of wages, with Viscount Peel, the late speaker of the House of Commons, as the independent chairman of the board.

Lord Peel's functions are similar in some respects to those of Lord Davey, as chairman of the Durham Miners' Association, already described, but Lord Peel possesses power only to decide for or against any direct proposition presented to him, and does not enjoy the power to deviate by way of awarding a less amount of advance or reduction which either side may have demanded. The result of this new system in a sense revolutionized conditions existing in the South Wales coal fields, and has led to work having been continued since that time without any stoppage caused by disagreements between employers and the men. The organization of the men led to a similar and equally powerful organization on the part of the colliery owners.

Without question, in the opinion of Mr. Brace, trade unionism not only has improved the condition of the miners, but also has demonstrated its beneficial influence in preventing strikes or lockouts. "At every colliery," he explained, "there is what is known as a works committee, which has power to deal with local disputes and discuss the various questions which are constantly arising. In the case of the failure of the works committee to agree with the representative of the owner and adjust differences, resort is had to one of the general officers of the Miners' Federation, who meets the manager; and in the event of these two men being unable to agree the case comes before the conciliation board. The result is shown in very few strikes, and those of such a trivial character that they are hardly worthy of notice."

I am a firm believer in the moral and educational value of the trade union. There is hardly a mining village without its institute containing gymnasium, billiard room, library, and other accommodations for the recreation and improvement of the men, which is supported by the joint contributions of men and employers, but is exclusively controlled by the men. These institutes have done much to improve the condition of the men and are only a part of the educational and progressive work which is such a distinguishing feature of trade unionism. As

a result of the men being organized into unions they acquire a larger and wider knowledge of affairs, because at their meetings not only are practical questions affecting the trade discussed, but also politics, economics, and the other leading topics of the day, the leaders of the union acting as teachers.

Mr. Brace was asked if in his opinion the masters as a body could abolish the union would they do so, to which he answered:

It is my firm conviction that while some would, owing to their prejudice against the union and their dislike of it and its methods, the majority of employers would not, because they believe that it is the union which makes collective bargaining possible, and collective bargaining is better than individual bargaining. With the union employers can deal with employees as a body; if there was no union each employer would have to deal with each employee separately.

Labor leaders, that is the most progressive and sensible, are opposed to anything that will lead to a stoppage of work, because they know that ultimately the cost will fall upon the workmen. They realize that it is for their own interest to help their employers to make money, so as to enable them to share in their good fortune.

The South Wales Federation prohibits the working of union men with nonunion men because they believe it is a dishonest practice. They say that the nonunion men obtain all the advantage which has been gained at the expense of the union, and therefore if a man profits by what has been won for him by the union it is only right and proper that he should belong to the union and give it his material and financial support. The grievance of the union men is not against the employers, but against the nonunion men, and to force the nonunionists into the union they are prepared to go to the length of striking if necessary.

Mr. Brace asserts that his union has never attempted to restrict output, interfered in the management of the business, or objected to the use of machinery.

The second largest trade union in Great Britain, and one of the most important because of the intimate relations existing between its members and the public at large, is the Amalgamated Society of Railway Servants, with a membership of 60,000. Its general secretary and executive officer is Mr. Richard Bell, member of Parliament for Derby in the labor interest, a man of great intelligence and breadth of view. Mr. Bell, like all other trade-union leaders in Great Britain, is a practical member of the craft which he represents, and for many years worked on the railroad as a guard (conductor) and in other capacities. All his influence has been directed against strikes and in favor of averting strikes unless a strike was the only remaining remedy to redress wrongs. Recognizing the union as an educational and social force, a force which has been mutually beneficial for both capital and labor, his efforts have been exerted toward the exercise of conciliation when-

ever possible, and in bringing about a better and more intelligent understanding between the man who pays and the man who is paid.

In a discussion on trade unionism in general and the work of his society more especially, Mr. Bell said that the union had undoubtedly been an advantage to employers, because it had enabled them to deal with their men collectively, through officers of the union, rather than with individuals, which was not only a saving of time and labor, but was also much more satisfactory in reaching definite results. The question of so-called "compulsory arbitration" was mentioned to Mr. Bell, who said that he did not favor the scheme because he did not believe that it would produce practical results. What Mr. Bell does most emphatically support is a method of settling disputes, or perhaps it might be more correct to term it a method to prevent disagreements, by what he terms "compulsory conciliation." To carry this idea into effect Mr. Bell has introduced into Parliament a bill, which applies only to railways, which makes it impossible for a strike or a lockout to take place until after the matter has been submitted to a board of conciliation. The full text of Mr. Bell's bill will be found in Appendix B.

The majority of the members of his society, Mr. Bell says, approve the bill and would like to see it enacted into law, but owing to the opposition of the employers no action has as yet been taken on the measure. Mr. Bell is frank enough to say that a great majority of strikes are due to the stubbornness or stupidity displayed on one side or the other, and anything that would substitute a rational method for passion, prejudice, or ignorance would be an immense gain to society. In view of the Taff Vale decision it is quite natural that Mr. Bell should deeply deplore the tendency of "government by injunction." The use of the process of injunction is regarded by Mr. Bell, in common with other labor leaders, as a misuse and perversion, and dangerous to the rights and liberties of the subject.

Mr. Bell points out that the union has been of immense advantage to the workingman. He said:

It has done a very great deal for him. It has elevated him generally; it has improved his wages; it has raised his standard as a worker; it has reduced his hours, and, generally speaking, the hours of workmen in Great Britain are lower than in any other country, due solely to trade unionism and the agitation which we have carried on in favor of a reduction of time. I think it may be fairly said that no employer will spontaneously increase wages or reduce hours. In other words, whatever he has given in that direction he has been made to give, partly owing to the force of public opinion; but public opinion has simply become an effective force after we have crystallized that opinion.

In various ways the trade unions have raised the standard of the workingman, and in no other direction has it done so much as in inculcating the virtue of temperance. I believe I do not exaggerate when

I say that nine out of ten of the trade-union leaders are total abstainers; of seven general officers of this society five are strict temperance men. Trade unionism sets its face against drunkenness, because it knows perhaps better than any other organized agents of society the evils of intemperance and the mischief that is caused by drunkenness. Trade unionism has always taken an active part in all outside movements that might in any way be a benefit to the great body of wage workers, such as the housing problem, temperance reform, old-age pensions, etc., and it has by cooperation been the means of men owning their homes and thereby enabling them to acquire a provision for their old age. It has encouraged thrift, good-fellowship, charity; it has brought men into closer relation with each other, which has made them more tolerant, and, if I may use the expression, more humane. Roughly speaking 95 per cent of the members of trade unions are also members of friendly societies, which is absolute proof that our men are becoming more saving and displaying a broader spirit of fellowship.

Not less valuable has been the work of the trade union in encouraging better work. Our union will not pay benefits to a man who has been dismissed because his work has been badly performed, and we have always impressed upon our men that they must do their very best in whatever capacity they may be placed. It has been often asserted that the tendency of trade unionism in fixing a standard wage is to level down the best man to the plane of the worst, but that I deny. We do not fix the maximum wage, but simply the minimum, and it is left to the employer to pay the employee whatever additional wage he is deemed worthy of as compared with the employee of lower capacity. Intelligent employers recognize this and reward it by compensating the better workman; thus the locomotive engineer who by more care and greater skill can cover a certain mileage with a smaller consumption of coal than one who burns more coal, and thereby decreases the cost of operation, receives on some railways a bonus based on the amount of money saved. I think it may be said that every man, speaking generally, of course, is anxious to do the best work that he can, provided he knows that his work will be properly recognized.

We have seldom opposed the use of machinery; we have never objected to larger locomotives and trucks, which are an economy and facilitate traffic, but we do claim that when such improvements are introduced they should be of mutual advantage and the men as well as the employer should receive some of the benefits. A larger engine hauls a greater number of wagons [cars], which imposes on the engineer greater responsibility and greater labor. Now it is not fair in such cases that the engine driver should be paid no additional wages. If employers will frankly recognize that when, through the introduction of machinery or other improved methods, they add to their gains a percentage at least of that gain should go to the men who make the use of that machinery possible, the friction which has often arisen between employers and employees over the use of machinery will disappear.

You ask me whether employers generally, if they possessed the power, would abolish the trade union. I can only say to that, in my opinion, one-half of them would and the other half would not.

So far as our own organization is concerned, we work on absolutely peaceable terms with nonunion men; in fact, it is difficult for anyone to distinguish between union and nonunion men in their daily inter-

course, and, so far as my experience and knowledge go, that is the practice of the better class of trade unions in this country.

Mr. David Alfred Thomas, for the last fifteen years senior Liberal member of Parliament for Merthyr Tydvil, the largest mining constituency in Great Britain, has for many years been what is known as an independent coal operator, that is, he is not a member of any employers' federation, but deals directly with his men.

"You are fully a generation behind us in America in the relations affecting labor and capital," was the opening remark of Mr. Thomas, when asked to give his views on the question under consideration, and he continued as follows:

In England the employers do not object to meeting the men to discuss conditions of employment; in fact, they regard that as a part of the business. The influence of the times, good or bad, is far more potent on wages and the relations between employer and employee than is any organization. From the standpoint of the employer, broadly speaking, I am of the opinion that the union has exercised an influence for good because it has established better relations between the two sides and has put in force collective bargaining, which is a thing much more to be desired than individual dealings. For these reasons the union has my approval.

So far as the South Wales colliery owners are concerned, the demands of the union for higher wages and shorter hours have enabled the owners to insist upon and obtain higher prices for their coal. Prior to that time the owners fought each other and cut prices in their competitive efforts, so that it became a common saying that the coal business was either a feast or a famine; either great profits were made or else the business was conducted virtually at a loss. In the time of large returns the men obtained a little of the advantage, but when prices fell the wages of the men were of course reduced. The owners have now discovered that they are able to obtain better prices by acting practically in concert, although there is no trust, and have no objection to paying better wages when they know that the cost of producing the coal bears a fixed relation to its selling price; therefore the increase of wages does not fall upon them.

In South Wales, in the coal-mining industry, the union has raised little objection, if any, to the use of labor-saving machinery, but then it should be added that practically no attempt has been made to substitute machinery for manual process. The effect of unionism has not been to make the men loiter over their work, or to induce them to do as little as possible for the wages they receive.

There is a very human disposition on the part of the collier, not unknown in other walks of life, to take life easier as income improves, but, except in a few cases—such as where men are on day work prior to the fixing of the cutting price in a new colliery or seam, and have limited the output with a view to influencing a settlement—I have never known it to take the form of what may be called "ca' canny," though very possibly the man who works exceptionally hard and remains long hours may not be regarded with the most friendly eye by the less energetic man in the neighboring stall, who might look upon it as bad form and express himself accordingly. The effect of

the general disposition to take things more easily in good times can not be measured statistically because the output per individual in periods of depression is necessarily diminished by the stoppage of the colliery from want of trade.

Of recent years perhaps more friction has existed between London compositors and their employers than in any other industry. The employers bitterly complain of the tyranny of the men and the attempts they have continually made to prevent the introduction of typesetting machines. When finally the men were forced to yield to the march of improvement and found that they could not continue to set up newspapers and certain kinds of book work by the antiquated method of hand composition, they deprived the employer of the economy of machinery by restricting output and imposing arbitrary, tyrannical, and foolish regulations governing the use of machines.

Many of the largest printers in London, including several of the most prominent daily newspapers, are members of the Master Printers' Association, of which Maj. Vane Stow is the secretary. Talking about the relations between employers and men, Major Stow gave it as his opinion that in the past the trade union was possibly a beneficial institution as it relieved the worker from the tyranny of the employer, but such tyranny never existed in the printing trade, and until a few years ago the relations between employers and men were friendly, as it was not often that the power possessed by either side was abused. Of recent years it has been noticed that the printers' union has been managed on different lines; its members have manifested a tyrannical disposition, and the union is constantly making new demands and seeking fresh interpretations of agreements or rules that have been accepted by both sides.

Major Stow complained of the injury that the union has done in restricting output and in compelling employers to make use of a larger number of men than is actually necessary or would be required if the men were permitted to obtain the full output from their machines. Like many other men who discuss the labor question from the standpoint of capital and the employer, Major Stow believes that the effect of the trade union has been to destroy incentive among the men, and that unionism offers no inducement to the best and most competent workman to work up to his full power. On the other hand, he admits that the union has been of benefit in that it has substituted collective for individual bargaining, and collective bargaining he regards as an advance over individual negotiation, as it enables the two sides to meet each other through representative bodies. Asked the direct question whether, in his opinion, employers as a rule would abolish the union if they had the power to do so, Major Stow said he would not like to answer the question because so much would depend on individual employers, but even if the union were abolished, he thought it would

be necessary for something to be substituted in its place for the convenience of having collective rather than individual bargaining.

One of the oldest and most influential newspapers in London is the Morning Post, of which Lord Glenesk is the sole proprietor. At the time when Lord Glenesk became its owner the paper was neither as influential nor as profitable as it is to-day, but animated by a spirit of benevolence and wise liberality in trying to make the relations between himself and his employees as friendly as possible, he unionized the composing room. Lord Glenesk voices the feeling of many employers in England, and especially those employers who have to deal with printers. He says he has no hostility to the union or unionism in general; on the contrary, he would do everything in his power to encourage the union if the union would confine itself to its legitimate functions. It is because the union often attempts to interfere with matters with which it has no concern, and to restrict and hamper business operations, that employers are frequently forced to regard the union as inimical not only to the interests of the employer but also to the best interests of the men. Despite the efforts of a just and liberal employer to treat his men properly, on the part of the unions there are a number of small things that constantly arise which in the aggregate spell hostility. What an employer objects to perhaps more than anything else is that, although the relations existing between himself and his men may be of the most satisfactory character, the men will go out on a strike in sympathy with other men employed in quite another line of trade.

Lord Glenesk points out that labor makes the mistake of believing that it is capital, while, as a matter of fact, it is nothing of the kind, and it becomes capital only when the product of labor is turned into money. Labor is not capital, and for labor to consider itself capital leads to a confusion of ideas and involves the correct functions of both.

Lord Glenesk takes issue with the trade-union leaders that the present improved condition of the British workman in the matter of higher wages and reduced hours is the result of unionism. He ascribes this better state of affairs to the general prosperity not only of Great Britain, but also of the world at large; to the fact that the world is incomparably richer to-day than it was half a century ago, which has been brought about by the advancement of science and improvement in the mechanical arts, and because the various countries of the world are no longer detached and isolated, but, by steam, cable, telegraph, and other means of communication, are brought into close contact. This has enormously increased the general wealth and the general welfare, and in that wealth the workingman has shared, as has everybody else, and he lives better to-day precisely as do all other classes, because science and the march of improvement have made that possible.

Instead of having helped British industry, in the opinion of Lord

Glenesk, the unions have hampered it, because of the unnecessary restrictions which they have placed upon employers in their opposition to the introduction of machinery. This has been especially so in the case of the printers, who, by every means in their power, opposed the introduction of typesetting machines, and when finally they were forced to yield they still prevented the full benefit to be derived from the use of the machines by imposing restrictions which obstructed their full output, or required that an unnecessary number of men should be employed in their manipulation. Lord Glenesk also believes that the result of trade unionism has been to reduce the worker to a dead level instead of affording the intelligent or ambitious man the opportunity to rise. An army in motion, to use his simile, moves at the pace of its slowest unit, because it has to make progress as a compact organization. It is the same with the trade union. There is a certain pace set, and that pace is the pace not of the fastest but of the slowest, the result being that the man who could move faster is prevented by the rules of his union from exceeding the pace of the slowest, or least intelligent, or least capable, of the army of workers. "I can only repeat," Lord Glenesk added in conclusion, "that while I am not hostile to the union so long as it does anything to improve the condition of the men and better the relations between them and their employers, I object to it only when the union departs from its proper field and attempts to invade the domain of the employer. If instead of doing that the unions would, for instance, teach their members how to cook, if it would take some of them to France and let the British workman see how much better the French workman lives on less money, I think it would do an immense amount of good."

For twenty years Mr. J. W. Shackleton, at the present time member of Parliament for Clitheroe, Lancashire, was a weaver in the cotton mills, and for ten years prior to his election to Parliament was the secretary of the Darwen Weavers' Association of Lancashire, and is now the vice-president of the Northern Counties Amalgamated Weavers' Association, with a membership of 90,000 men, women, and "young persons," all of whom work in the cotton textile trade.

In Lancashire in the cotton trade there is a joint committee composed of operators and employers whose functions are to settle all questions relating to wages and the conditions of labor. There is also a body known as the Textile Association, which includes in its membership all of the various textile societies embracing the different branches of the trade—cotton spinners, cardroom workers, overlookers (fixers, in America), weavers, twisters, drawers, and bleachers. This association deals solely with legislative matters, that is, all questions coming before Parliament, but not with trade disputes. The employers have a similar organization called the Employers' Parliamentary Council, and as occasion demands it these two bodies meet for discussion and agreement.

The creation of these two organizations, representing both employers and employees, Mr. Shackleton regards as an excellent arrangement, and he thinks they have on many occasions prevented strife and averted war. He points out that properly speaking they are boards of conciliation and not of arbitration; their function is to try to harmonize difficulties when they exist; but, of course, if all other means have been exhausted and an agreement is not reached there is only one resource left, that is, to fight in the usual way by means of a strike.

The Northern Counties Amalgamated Weavers' Association is the central body. Each town in the Lancashire cotton district has its local union, which, to all intents and purposes, is autonomous and is governed by a committee elected by the men, members of that union. Anybody working in the trade is eligible to membership. The scale of prices governing the trade is fixed by joint agreement between committees of employers and the Northern Counties Amalgamated Weavers' Association, and that list governs prices in all branches of the cotton weaving or manufacturing departments; the scale continuing for an indefinite period, but subject to change at any time by mutual consent, or if no common basis of agreement can be reached both sides have the alternative in the usual way, that is, by a lockout on the part of the employers or a strike on the part of the employees. It should be noted, however, that the scale under which the men are now working went into effect in 1892, and since then there has been only one modification, which was an advance of  $2\frac{1}{2}$  per cent to the operatives in 1898. It will therefore be seen that there has been a long period of peace in the Lancashire cotton trade. Other branches of the trade, spinners, carders, and so forth, are working under similar agreements.

The general position assumed by the Weavers' Association, as stated by Mr. Shackleton, is that neither operatives nor employers have the right materially to modify this scale without giving an opportunity to the joint committee to adjust the matter. All questions affecting the trade are discussed once a month at a council meeting held in various parts of Lancashire, but which sits usually in Manchester, as being the most central point. This council is composed of one representative for every 1,000 members. There is a central committee consisting of 11 members elected by ballot by the central council; its members hold office for twelve months, one-half of the council retiring every six months, but eligible for reelection.

It has been stated that the local societies or unions enjoy an autonomous form of government. This liberty of action extends to the fixing of the rate scale, the scale not being uniform in all districts, but being governed by local and other conditions. The local societies also pay the local benefits in case of sickness or other causes, and have in some cases sanctioned local strikes, but such a strike is ultra vires

unless it has been passed upon and received the approval of the central body. The policy of the central body is to stand aloof and not to interfere unless its aid is evoked by one or both of the contestants. In that case it intervenes, but it never tenders the exercise of its good offices unless they have been sought.

Mr. Shackleton has no hesitation in saying that the union has been of the greatest possible benefit to the men, and also of great benefit to the employers. It has helped the men because the union has become an effective power and that power can be enforced if necessary; it has been of advantage to the employers, because it has provided a means for both sides to get together, and the fact that the employers meet the men through the joint committee proves this. If it had not been for the unions, in the belief of Mr. Shackleton, wages would have had a tendency to go down rather than to have advanced, as individual employers would have taken advantage of the necessities of their men, and would have reduced wages, which would have led to all employers doing the same thing. The union has been the means of reducing the hours of labor, which has been done by organized effort, and which has resulted in all men engaged in the trade, whether union or non-union, receiving the same benefits. Here, as in many other trades, union and nonunion men work side by side, although the union men naturally try to make converts of the nonunion men to the doctrine and principles of unionism.

The condition of workers in the textile trade has been improved to the extent that unionism, Mr. Shackleton asserts, has raised the general standard. The union has not restricted the use of labor-saving machinery; but, to use his words, "we believe that whenever labor-saving machinery is employed, which means an increase in profits to the employer, we should obtain our share, whatever it may be, either by receiving better wages or by a reduction of hours. In other words, we do not regard it as fair that the workingman, by the use of machinery, should be exploited solely for the benefit of the employer. Only to that extent can it be fairly said that any objection has been raised to the use of any form of machinery; and wherever its introduction has been followed by the men profiting in some degree with the profit of the employer no objection has been made."

In 1897 some of the largest employers of labor in the United Kingdom formed the Labor Protection Association, which was primarily intended to enable a scientific study to be made of the causes relating to trade disputes generally, but which shortly after its organization, and since then, materially widened the scope of its action. Not long after its formation the great strike of the engineers occurred and the association supplied nonunion men to those firms which were at war with the union, and also took measures to furnish police protection for the nonunion labor. In 1898 there was formed the Employers' Parlia-

mentary Council, organized for the purpose of watching legislation affecting employers. The two associations are separate bodies, but they work in unison and many members are members of both.

Mr. F. W. Read, the assistant secretary of both the Labor Protection Association and the Employers' Parliamentary Council, speaking in his official capacity, gave the views of these great representative bodies of employers regarding the trade unions. He says:

The unions have undoubtedly certain useful functions, and no employer objects to the union so long as it confines itself to those functions that are useful and legitimate, but what the employer does object to is the union exercising its power to restrict output; to interfere with the proper conduct of business, and especially to interfere with men who do not belong to the union, who do not want to belong to it, but who, owing to this interference and coercion, are made to join it. Without doubt the unions have been an injury to British industry by restricting output, by imposing unnecessary regulations, and by trying to prevent the introduction of labor-saving and other machinery. It is quite impossible to point to any documentary evidence that would sustain these allegations, but we consider that the fact has been clearly established by the conduct of men in union workshops; and when, as has sometimes happened, the union men in those shops have been displaced by nonunion men, the gain has been shown by a large increase of the output.

It has been frequently asserted by union men that the union has been of great benefit because it has led to the substitution of collective for individual bargaining, and if collective bargaining is a good thing, then the unions have served a useful purpose. But we deny that it has been for the real advantage of the men, and we contend that it has had the effect of depressing the best worker to the level of the worst; and it has been especially bad for the good man who, left to himself, would have gone ahead, but who, under the restrictive rules of the union, becomes of no greater value than the least effective workman. It must be admitted, however, that the unions have been of advantage to the men on what may be termed the provident side—that is, in enabling them to save and to make a provision for sickness and old age.

It is also claimed by the unions as one of the things to justify their existence that, largely owing to their efforts, there has been an increase of wages and a decrease of hours. This I hold not to be due to the unions, but to purely economic causes. The general increase of wages may be traced to the general increased wealth of the country and the world at large, and also to the rise of the standard of comfort. It is significant that the increase of wages is greater among unorganized labor than with organized, and possibly in no class has the increase been so large as among domestic servants, who of course are totally unorganized.

In my opinion it would be better for trade at large if there were no unions, and yet I can not say that all employers would abolish the unions if they had the power to do so. Some of them would not, because they believe that it is more advantageous for them as employers to treat with the unions as the representatives of the great body of workers than for them to deal with individuals.

Referring to the Taff Vale decision and its effect upon unions and union labor generally, Mr. Read advanced the opinion that it would have the tendency to keep in check what employers regard as the worst features of trade unionism and make the leaders more cautious; that in the future, when a strike occurs, the unions would be careful to conduct the strike so that no legal rights would be infringed. It would not be fair, Mr. Read continued, to bring the charge that union leaders have in the case of a strike encouraged violence or other illegal methods, but it is fair to say that in the past, knowing that the worst that could happen to them would be the conviction of a few men for violence or intimidation, for which the punishment would be merely a short term of imprisonment, they were indifferent to the conduct of some of the members. But now that it is known that the funds of the unions can be seized and be made to pay for the injury and damage done, everybody connected with the union, the officers as well as the youngest member, for self-protection, will be more cautious and will be less inclined to do anything which may subject the union as a whole to pecuniary responsibility.

"I think it should also be said," Mr. Read added, "that the relations existing between employers and men are better to-day than they were in the past, and that the larger and best organized unions want to adopt methods of conciliation, and endeavor to avoid strikes."

The shipping trade has been one of the most important industries of Great Britain in which, up to a few years ago, disputes between masters and men were of frequent occurrence, and carried on with great bitterness on both sides, frequently being attended by scenes of violence, destruction to property, and bodily injury. In talking of the shipping industry it should be understood that this term means, in Great Britain, not only the crews of ships, but also the stevedores and dockers in London and in the other great ports of the Kingdom. A disagreement between a ship owner and his crew might, and frequently did, involve the stevedores and dock laborers, who had no direct interest in the question at issue, but who made the cause their own. And conversely, sometimes a trivial dispute about the employment of a few dock laborers might result in tying up shipping and in rendering useless many vessels because they were unable to load or discharge their cargoes.

To meet this condition of affairs numerous ship owners and ship owners' associations formed themselves into the Shipping Federation, which is unusual in one respect at least, as, unlike all other associations of employers, the Shipping Federation is a limited liability company, organized under the acts creating and governing limited liability companies in Great Britain, and is subject to the same legal rights, restrictions, regulations, and obligations as any other joint-stock company. The federation was organized in 1891 primarily to deal with

questions affecting labor, and it was essentially a protective association of employers, but since then its scope has been extended and its objects widened. In case of a labor dispute in which any member is involved, the federation comes to his assistance in whatever way may be necessary, by procuring for him a crew, if the difficulty is one with seamen, or by furnishing him with stevedores, if the controversy has involved that branch of labor. For the last three years the relations between ship owners and men have been improved, which members of the federation attribute to the perfection of its organization, and also to the wholesome fear which the unions have of trying conclusions with the powerful association of employers.

The secretary of the federation is Mr. Michael Brett, who explained that one of the methods employed by the federation to improve the relations between its members and their employees has been the creation of a benefit fund which gives a bonus to well-behaved seamen who live up to the terms of their agreement. Every seaman, which includes every person on board ship, who is engaged on any federation ship must register at one of the offices of the federation, these offices being found at all the principal British ports. The terms of the agreement are that the man will agree to serve on the ship for which he is engaged, whether he is a union or a nonunion man, and the federation makes no discrimination as to his connection with the union. If he serves for six months and receives a good discharge he is given "a benefit certificate," which entitles him to compensation in case of accident, the compensation ranging from 5s. (\$1.22) a week to 40s. (\$9.73) for a maximum period of thirteen weeks, according to rating, and in case of death or total disablement his representatives are entitled to from £12 10s. (\$60.83), for an Asiatic seaman, to £100 (\$486.65) for the master of a vessel over 200 tons. The holder of a certificate does not have to pay any contribution, but is required to appear personally and renew his certificate every year, or in case of his absence from the United Kingdom at the date for renewal to do so immediately upon his return. The ticket is forfeited in case of desertion, and may be suspended for various causes, but is subject to renewal for subsequent good behavior. The federation has paid out a large amount of benefit money, Mr. Brett stated, but he preferred not to give figures. The federation regards it as a hopeful sign, and indicative of the beneficial effect of the fund, that the number of certificates forfeited and suspended is constantly growing smaller.

When the federation was first organized it was bitterly fought by the unions, who claimed that its purpose was to lower wages and crush the union. This, it is asserted, is untrue. So far as wages are concerned the federation does not concern itself, as wages are subject to the standard scale adopted at the port, wages not being uniform in all ports, but varying according to circumstance. Instead of being

antagonistic to the union, as already explained, the federation does not discriminate against union men, and only demands of them that they shall be efficient and shall not try to create trouble.

The members of the federation represent the ownership of 9,000,000 tons of registered shipping. Mr. Brett does not approve of the union. He said:

At the present time the shipping trade is not suffering from trade unionism because we are able to keep it in check, but I do not think that any other employer can say the same, and if it were not for the federation the shipping business would have been paralyzed. A few years before the federation was organized conditions were so bad that an owner had no power to select his crew; he might not discharge his ship with the machinery at his command; often when he wanted to go to a particular port he was prevented. In a word, the owners were at the absolute mercy of the men, who used their power unscrupulously, tyrannically, and ignorantly. Things have changed because organization has been met with organization, and the owners are now strong enough to resist the men.

During the last twenty years the condition of seamen has vastly improved, but that improvement has not been brought about by any particular union, or unionism in general, but is the result of general conditions. The seaman to-day has better accommodations, better food, and better treatment than he ever had.

One of the grievances of shipowners against the union is the attempt made by the union to prevent the use of labor-saving machinery, and even to-day that attempt is still made whenever the union thinks itself strong enough to be able to enforce its unreasonable demand. Here is a typical instance of union tyranny and interference. At Cork quite recently the dockers, or, as they are known in the trade, the coal porters, demanded that in discharging certain coal-laden vessels hand winches and not steam winches should be used, the use of the steam winch naturally facilitating the work and enabling a ship to be discharged more expeditiously. When the owners insisted that they would use steam winches as being a modern appliance the men struck, but as the vessels involved belonged to members of the federation, men were sent from Hull to take the place of the strikers.

So far as the union is concerned we do not care in the least whether it exists or not, nor do we fear it. We would encourage the union if it looked after its members or elevated them or improved their condition in any way, and did not interfere with our business; but this last it will do, while the things it ought to do it will not do.

In some respects the functions of the British Board of Trade correspond with those of the United States Department of Commerce and Labor, the English centralized system of government, however, placing in the hands of the Government complete authority, flowing out of the power granted by act of Parliament, over the entire United Kingdom. The Board of Trade is intrusted with the collection and dissemination of statistical and other valuable information relating to trade and industrial movements and such other data as bear upon the relations between employers and employees, its functions being sim-

ilar in some respects to the work performed by the Bureau of Labor of the Department of Commerce and Labor.

Mr. John Burnett is the chief labor correspondent of the Board of Trade, a title which is a misnomer and conveys a wrong impression of Mr. Burnett's duties, as it suggests that he corresponds with the Board of Trade, while as a matter of fact, instead of being a correspondent he more nearly approaches an editor, and in the United States would be known as the chief of a bureau. Mr. Burnett, before entering the Government service, was a workingman and a member of the Amalgamated Society of Engineers. His views, therefore, on the labor question are of additional value, because he knows the question not only as surveyed from the standpoint of labor, but also as viewed from the more judicial and impartial standpoint of a Government official, whose duties have been for a number of years past to deal scientifically with the many complex problems involved.

Mr. Burnett gave it as his opinion that the effect of trade unionism clearly had the tendency to raise wages, part of that increase being due to the law of supply and demand, but one of the most important causes being the union. It had also reduced the hours of labor. To the trade union must be awarded the credit for the beginning of the movement to make strikes less frequent and to have legislation adopted which would make it possible to reach a settlement of a dispute when it occurs. Whether the trade union has made the men strive to do better work is a somewhat difficult question to answer offhand, but, generally speaking, Mr. Burnett is inclined to say yes, because the rules of most of the unions provide that men shall not be admitted to membership unless they are competent workmen, and this rule is generally enforced. Men who are not competent are liable to discharge, which may lead to a conflict between the union and the employer, and therefore, as a matter of self-protection, the members of a union exercise some method of selection. Another important influence of the trade union has been the providing of means whereby negotiations between employers and men have been carried on between their representatives, instead of between individuals, which has naturally, and as the next step, led up to boards of conciliation and arbitration, which are of enormous benefit to everybody concerned, and which would have been absolutely impossible without organization. The substitution of collective for individual bargaining must also be looked upon as a great social advance. Mr. Burnett said:

It would seem to me that the trade union has tended to develop the men's sense of duty and responsibility to their employers; it has done much to inculcate temperance, because when a man loses his place through drunkenness he forfeits his benefits, and it has encouraged thrift by helping the men to borrow money from the building societies and in other ways encouraging them to save.

Generally speaking, I believe that the trade union has improved the relations between capital and labor. It would be somewhat difficult to say whether trade unionism has hampered industry, but speaking broadly for the larger and best conducted unions, I think they do not place obstructions in the way of the use of labor-saving machinery, although there may have been a tendency to restrict output. I think it can be said without much question that if it were not for the trade union the condition of workmen generally would not be so good as it now is, because the union has not only been the means of securing better wages and shorter hours, but it has also promoted legislation which has been of great good for the great body of workers, and especially in behalf of women and children. While it must be admitted that many employers are opposed to the union, it is also a fact that many of them are equally favorable to it, because it provides a more convenient and better method whereby employers and men can settle their differences.

What the State legislature is to the State in the United States the union is to its particular trade in England; and broadly speaking the General Federation of Trade Unions bears the same relation to the separate and independent unions that the Congress does to the United States at large. The General Federation of Trade Unions came into existence four years ago because trade-unionists realized the necessity of a better and more systematic financial scheme for the general welfare of unionists when financial assistance became necessary. Just as every State of the American Union is sovereign and independent within its own borders, but has delegated certain powers to the Federal Government for the good of the entire body politic, so the General Federation possesses powers which can be exercised only by the federation itself. The General Federation has a membership of 420,000. Every union a member of the General Federation pays a contribution of 2s. (49 cents) per member per annum, who receives when on strike a benefit of 5s. (\$1.22) per week. The union may reduce the per capita contribution one-half and the members receive a correspondingly reduced benefit.

In explaining the object and purpose of the federation, Mr. Isaac Mitchell, its general secretary, stated that one of the most important ends sought to be accomplished by the federation is to prevent trade disputes and eliminate friction between employers and employees, and where, unfortunately, differences arise, to try to bring the contending parties together. If after investigation and every attempt to seek a reconciliation fails and the federation, through its executive committee, becomes convinced that the men are in the right and are justified in their demand, they are given financial support; but if it is the opinion of the committee that the justification does not exist, then no such support is extended. In the four years since the federation came into existence it had twelve times refused to give financial help when it had been asked and in numerous other cases it had prevented a rupture.

Recently at Wolverhampton there was a dispute in the lock trade which threatened a strike. Owing to the mediation of the federation a wages board was constituted which resulted in an amicable understanding. Mr. Mitchell said:

Our policy has been to obtain the confidence of employers no less than that of the men by taking a strictly impartial attitude in our investigations and making both sides understand that we are more desirous of justice and lasting benefits than mere temporary advantages gained through the use of arbitrary power.

The affairs of the federation are controlled by a management committee of 15 members, elected annually by the council. The council is composed of delegates representing the various unions, a union with a membership of not exceeding 10,000 being entitled to one delegate; exceeding 10,000 and not exceeding 25,000, two delegates; exceeding 25,000 and not exceeding 50,000, three delegates, and all over 50,000, four delegates.

The federation has no power to take the initiative in ordering a strike, but when the council of the federation sanctions a dispute the union involved is entitled to benefits. After a dispute has lasted 12 weeks, or sooner if considered necessary, the management committee of the federation has power to investigate it, and if it is deemed that no good can result from its further continuation, benefits can be suspended after 14 days' notice. No union is entitled to benefits from the federation unless it has been 12 months a member of the federation and has paid 12 months' contributions.

The federation is opposed to the sympathetic strike, because it does not believe in the wisdom of men belonging to one trade striking to redress the grievance of another trade. "The federation has acted as a restraining influence, and a balance wheel," says Mr. Mitchell. "It is no use disguising the fact that there have been many unreasonable strikes, caused often by the men getting excited and rushing their executives, who allow their members to get out of hand, and who yield when they ought to be firm. In such cases when the executives say to the men that the federation will not approve the strike, which means that they will not receive any help from us, it makes the men hesitate and think very seriously whether it will be advisable for them to strike against our consent. In that way the federation stiffens the backbone of the union leaders and stands in the way of hasty action."

During the course of the interview, Mr. Maddison, the treasurer of the federation, took part in the conversation. Both Mr. Mitchell and Mr. Maddison attribute the present improved status of the workmen to the influence of the union. In proof of this Mr. Maddison pointed out that forty-five years ago the journeyman iron founder of Yorkshire received 23s. 6d. (\$5.72) a week as against 38s. 6d. (\$9.37) now

paid to him. "Our contention is this," said Mr. Mitchell. "If it were not for the union any reduction made by any individual employer for any cause whatever, which might be brought about in some cases by lack of intelligence on the part of the employer to manage his business with as much skill as that of his rivals, results in that reduction falling on the great mass of workers. Our contention further is that the workingmen of this country are, as a rule, paid not according to their skill, the arduousness of their work, or the risks incurred, but according to the way in which they are organized; in other words, that to secure better wages and better conditions generally they must make of themselves an organized force."

"Here is an instance of this," Mr. Maddison added. "In South Wales our craftsmen (iron founders) are paid 16s. [\$3.89] a week as against £2 [\$9.73] in London. The same skill and the same labor is required in both places, but in South Wales the men are not organized, while in London they are, which explains why they are able to obtain in London more than twice the wages paid in South Wales."

Referring to the present condition of wage-workers generally as compared with the conditions that prevailed in England half a century ago, and everybody admits that the condition of the workman has been immensely improved during that time, Mr. Mitchell advanced the opinion that this improvement had been brought about more largely by the educational work and militant propaganda of the unions than by any other cause. He admits that the early factory acts, and especially the legislation which Lord Shaftesbury succeeded in placing upon the statute book, was purely humanitarian and dictated by philanthropic and lofty motives, this legislation having been enacted before the trade unions acquired their power or became a factor in social or economic affairs; but for the last thirty years whatever the workingmen have gained they have won by fighting for it, and they could not have fought successfully had they not been organized. The new condition of affairs dates from about 1867. It was then that the trade union, according to Mr. Mitchell, began to be a force, and from that time on its strength has steadily increased.

The charge so frequently made by the opponents of trade unionism that the unionist opposes the introduction of labor-saving machinery is stoutly challenged by Mr. Mitchell, who denies the justice of the charge, but admits, as do other unionists, that men object to the use of machinery if thereby it lowers the standard of the workers or substitutes unskilled for skilled labor. If, for instance, there can be put into a factory a machine which will displace four or five men and can be operated by a growing lad, who with his machine can do the work formerly done by these four or five men, unionists will object to the use of such machine, because they believe its use is not good for the men, the country at large, or the growing lad. The lad may be

paid more than he would otherwise earn, but because he will become simply a part of the machine itself the effect will be to stunt him both mentally and physically. Experience, Mr. Mitchell says, proves that nothing is so devitalizing and demoralizing as to place a young person in charge of a machine. Far less injury is done in the case of a man who has reached his full growth and whose mind is formed. Therefore, in such a case where the introduction of machinery would lower the general standard men would properly object to its use. In short, the working man to-day will not permit himself to be exploited simply for the benefit and profit of his employer, and Mr. Mitchell adds:

It has, of course, frequently been said that the trade unions have imposed upon employers unwarranted and foolish restrictions, which have hampered the conduct of business, and in some cases made it so costly that foreign competitors have profited thereby. Our answer is that whenever restrictions have been imposed they have been forced upon us by the action of unscrupulous employers who have compelled their men in self-defense to adopt protective measures. The fixing of hours of labor and the work to be done was the natural corollary of the adoption by employers of what is known as "blood money." Employers, in the hope of getting an undue amount of work out of their men, have privately offered a particular man 5s. [\$1.22] or 10s. [\$2.43] a week more than the regular wage in consideration of his exerting himself and thereby setting the pace for the others, and compelling them to keep up with it; but observe, those others were not paid the extra money, and therefore the employer was obtaining this extra labor for nothing. It is because of these things, and simply as a measure of self-protection, that we have been compelled to make certain regulations and to insist upon their enforcement.

I think it will be generally conceded that unionism has led to better relations between employers and men, and one of the great benefits it has conferred is that strikes are made more difficult. Disputes between employers and employees are now considered on broader and more scientific grounds than they ever were before, and with regard to all the circumstances governing the conditions of the trade. The result is that strikes become less frequent, and it is a matter of pride to unionists to know that there are fewer strikes in the organized trades than there are in the unorganized.

Interesting in this connection, as showing that in the best and most highly organized unions the efforts of the executives are continually directed against the use of a strike except when all other means have failed, attention may be called to a difference of policy existing in the Amalgamated Society of Engineers at a time when this investigation was made. The engineers working in the Glasgow district refused to accept a reduction in their wages of 1s. (24 cents) per week, and determined rather than to submit to this reduction to go on strike. The local unions indorsed this action and submitted it to the executive council in London, which refused to give its approval. Notwithstanding this veto, and also that the general federation opposed the

strike, the men ceased work and remained idle for two weeks, during which time they were paid strike benefits of 10s. (\$2.43) a week, and at the expiration of two weeks returned to work at the reduction of 1s. (24 cents) a week in their wages. Inasmuch as the strike money had been paid out of the funds of the local branch of the Amalgamated Society without the consent of the executive council, and therefore was an unconstitutional payment and in violation of the society's rules, the executive council directed that every member who had received £1 (\$4.87) in benefits should refund that amount to the treasury.

Mr. Mitchell was asked whether, in his opinion, the employers would abolish the unions if they had the power to do so, and he replied that he believed they would. "I do not think," he added, "that the employers love us any too well, but they simply tolerate us because they have no other alternative and also, perhaps, because they regard us as the least of the two evils."

Mr. Mitchell worked in the Quintard Iron Works in New York ten years ago. He was well satisfied with living in America and but for family reasons would have remained there. Contrary to the opinion expressed by Mr. Barnes, he believes that the general condition of the American workingman is superior to that of the British.

One of the largest employers of labor in the United Kingdom, who has an intimate knowledge of the great transportation interests of Great Britain, frankly stated that it was the prevailing opinion among a majority of employers, and especially those engaged in the management of railways, that the union was a dangerous and disastrous thing; that it was in the interests of employers to prevent the men from joining the unions, and believing this, employers fought the unions whenever it was politic to do so. He continued:

One hears a great deal of humbug these days about the identity of interests between employer and employee, and it is the stock theme of demagogues in and out of Parliament, in board rooms as well as in lodges, that employer and employee are members of one family, and that both have the same end in view. This is rank nonsense. The interests of capital and labor, instead of being identical, are antagonistic, and naturally almost must be so. I, an employer of labor, and the trustee of the persons who have invested their money in the business which they have placed in my hands to manage, desire to buy my labor for as little as possible, precisely as it is my object to buy everything else that enters into the cost of production at the lowest possible price in the market. The workman who has something to sell—that is, his time, because that is the only thing the workman has to sell—desires to obtain for that commodity the highest possible price that he can secure for it, and in that respect he does not differ in the least from the seller of any commodity. Therefore I am trying to pay as little as possible, and neither side will yield to the other except under duress. If I propose to pay 25s. a week and I am forced by the union to pay 30s., I pay it not because I do it gladly but because I must either pay or fight and take the hazard of war. That in a word is the

relation to-day between employer and employee. Now, the union has this effect. Feeling the support of a union behind them, the men are more ready to adopt extreme measures when they try to secure higher wages or when any difference of opinion rises between them and their employers. Men who are not in a union are more cautious about a strike, more amenable to reason, more willing generally to live in peace, more reluctant to take offense at a trifle and throw down their tools. The union has done such wonderful things for the men. Bosh! I tell you what the union is to-day. It is a means of providing a few men with excellent places as officers in the unions, who are paid three or four times as much as they could earn in any other way under the most favorable circumstances, and who have about one-third as little work to do. That is modern trade unionism.

Extremely interesting in contrast to this opinion is that of Mr. George S. Gibb, general manager of the North Eastern Railway Company, one of the largest and most important railway systems in the country, which has on its pay rolls more than 46,000 men. Mr. Gibb advanced it as his opinion that it is a fact to be recognized that the trade unions have been to a very large degree the means of obtaining for their members higher wages; and while an unwise labor leader might be the means of working untold mischief, just as an unwise manager or employer of labor might do an equal amount of harm, the right of the men to combine and form themselves into unions must be admitted and accepted. Mr. Gibb has always been in favor of employers frankly recognizing the unions, because he considers it just that the men should have the advantage in their negotiations with an employer of being represented by a skilled agent, exactly as the employer is; and the men can obtain the benefit of this skill and knowledge only by means of the union. If the unwise or dishonest labor leader is eliminated, which eliminates the danger always to be feared from such a man, it is for the interest of the employer, Mr. Gibb holds, to deal with the union as the representative of the workers as a body rather than to try to deal with an assemblage of excited men, many of whom are unpractical and undisciplined. The labor leader who is fit for his place, as most of the present leaders are, has usually given considerable study to the questions involved, and he knows trade conditions almost as well as does the employer. He knows, too, when the union can press for an advance of wages or a reduction of hours and stand a reasonable hope of securing its demand, and when it would be foolish to do so. Mr. Gibb says that in the management of his company's affairs he recognizes the union and corresponds with its officers as freely and frankly as he does with anybody else. He does not, of course, allow any interference by union men or anybody else with matters of discipline or the conduct of the company's business, but he is ready at all times to discuss with them any questions which are properly subjects of discussion between employers and men. In the employment of men

there is no discrimination between unionists and nonunionists, and, roughly speaking, the men in the company's employ are about evenly divided between the two classes. Neither class has any advantage in freedom of access to him or to the other officials, and whenever any question arises that ought to be discussed its consideration is readily obtained. The relations between the company and its men are very satisfactory, and since 1897 there has been no strike or any serious disagreement. In 1897 a question arose regarding hours and wages, and, as it was impossible for an agreement to be reached, the matter was referred to Lord James, of Hereford, one of the lord justices of appeal, for his decision. Mr. Bell, the general secretary of the Amalgamated Society of Railway Servants, represented the interests of the men, and Mr. Gibb those of the company, and Lord James, after the case was fully presented to him, delivered his decision, which was a compromise, and was accepted by both sides. Two years later a further question arose affecting hours and wages, which was settled between Mr. Bell and Mr. Gibb without reference to an arbitrator.

The North Eastern Company builds its own engines, passenger coaches, and freight cars. Both in the shops and in working the road Mr. Gibb has not noticed any objection on the part of union men to the introduction of machinery or labor-saving devices. Whenever machines are introduced, however, there is a tendency among the employees, he says, to try to force the employment of a larger number of men.

Mr. Gibb regards with favor boards of conciliation and other conciliatory methods, but owing to the satisfactory relations that exist between himself and his employees the North Eastern system has not felt the necessity for introducing anything of the kind.

The Engineering Magazine is recognized, both by employers and employees, as one of the leading authorities in England, not only on subjects pertaining strictly to engineering, but also on problems affecting the general relations between capital and labor. The editors are practical men, whose long experience and intimate knowledge of the complex questions governing industry, fortified by numerous impartial articles which have been written for their magazine by representative men on both sides, entitle their opinions to be heard with the greatest respect. In their belief unionism has unquestionably been beneficial to both employers and employees. It has been beneficial to the men because it has enabled them to obtain better wages and shorter hours; it has been equally beneficial to employers because it has raised the general standard of work and has led to better relations between them and their men. As to the great question whether labor unions have done anything to hamper the use of the latest and most improved machinery, the evidence of these gentlemen is that when the unions were younger, not so well organized, and not so intelligently con-

ducted, this opposition made itself very manifest. At the present time, speaking generally, intelligent men are at the head of union affairs, and these men realize that it is folly to fight progress in any form, and instead of antagonizing machinery or anything else that will cheapen the cost of production or improve or increase the product, they try to make their associates understand that it is for the best interests of all to facilitate rather than to obstruct the march of improvement.

The editors also called attention to a sociological phase of the labor question in England, which is worthy of mention. In England the influence of the patriarchal system is still felt in the relations between employers and men, and at times there is found a man working in the same factory in which his father worked, the father having worked for the father of the present proprietor. Such cases, however, are becoming less frequent owing to the constantly increasing tendency in all modern commercial enterprises of magnitude to convert the private copartnership into the limited liability company, in which the personal proprietor is replaced by a board of directors or a managing committee. In those cases the directorate does not come into immediate contact with the men and does not have the personal acquaintance with them that used to exist when important enterprises, hereditary in certain families, were handed down from father to son, and when the head of the firm for the time being felt a pride in knowing his men by name and regarded it as his duty to take an interest in them and their families.

It is the opinion of the editors that there is more migration among journeymen in the United States than is to be found in England. In America a certain number of workers appear to take a delight in wandering from place to place, especially if there are no strong home ties or attachments. This is notably true of the printing trade. To a less extent is this found in Great Britain, and men, as a rule, do not leave a place of employment unless compelled to leave it by the stress of circumstances. In England there is an aristocracy of labor and caste. The Londoner born and bred, who has worked all his life in London, regards it as lowering himself in the social scale to work in a smaller place even at better wages, and will not voluntarily do so, except in a few of the large centers, such as Liverpool, Manchester, Birmingham, and Sheffield.

Among many interesting contributions to the pages of the Engineering Magazine on the subject under investigation, short extracts are made from three articles. Mr. Percy Longmuir, a worker in steel, iron, and brass, writes in the number for January, 1902:

"The dominating policy of trades unionism has undoubtedly restricted the expansion of British trade," but he claims that in addition to the restrictive union policy some of the responsibilities must

be laid at the door of the employer, as there is much room in Great Britain for improvement in commercial methods and in the education of employer, workman, and merchant.

An equally interesting article is contributed by Mr. T. Good in the August, 1902, number on "Some unacknowledged conditions in British workshops." Mr. Good is a self-educated galvanizer in business on his own account. "That this 'ca' canny' policy is in extensive operation in many industries," he says, "that it has a demoralizing influence upon workmen, and that it materially affects the larger problem of foreign competition I freely admit," but he claims that under present conditions a clever workman is in too many cases valued by his employer no higher than a bad one. The consequence is that under the system, "men lose all incentive to put forth their best energies, and honest work and genuine ability are placed at a discount. It is a sorry admission, but I must say that my varied experience has convinced me beyond the shadow of a doubt that honest workmanship seldom pays." In short, Mr. Good's indictment brought against employers as a whole is that if the workman would succeed and keep his place he must—by a system of "tips" and "treats"—in other words, bribery—"stand in" with the foreman that he may be favored with the cleanest and most comfortable job, keep his place when others are dismissed and demand slackens, and be singled out for promotion.

Sir Benjamin C. Brown, D. C. L., one of the great builders of machinery in England, writes:

I have always held, and I believe most fair-minded employers and workmen hold, that the best position for negotiations to be carried on between capital and labor is that of absolute equality, and that neither side ought to wish to have any advantage over the other; and if all questions could be settled on the basis of justice, fair play, and the general good of the trade, it is quite clear the questions as to which was stronger would not be of any importance, or enter at all into the calculations of either side. It is only because of the possibility of an appeal to brute force that these things have to be borne in mind.

Of course one great point is to make up our minds whether we think it better there should be trades unions or not. My own feeling has long been that large unions, both of workmen and employers, are by far the most satisfactory. All disputes, then, before they can lead to stoppages of work are taken away from the original disputants, and are brought before selected employers and workmen of knowledge and experience in dealing with such matters, men who know each other well personally, and who have usually established a friendly and to a great extent confidential footing with each other, and numbers of disputes which would lead to a stoppage of work, if they had to be settled between an employer and workmen in the works, get smoothed and settled amicably by the time they reach the last court of appeal.

To refer to those who suppose unions are an evil, I think they take as an ideal some self-reliant workman, who has a very strong character, great self-confidence, who can make his own bargains, and then they say, if all men were like that, how nice it would be. But they

must know that all men are not like that. People who can take the lead and act entirely on their own self-reliance are very scarce in every relation of life, and what used to happen much more before unions were so strong was, that suddenly a feeling would arise among a body of workmen that they were dissatisfied or offended, and that they ought either to have a large rise in wages or something else. A mass meeting would be called by the most violent of them, and the most extreme would force themselves to the front, the delegates would be elected by clamor and then come as the representatives of the whole party of the workmen, saying they must have the most unreasonable concession or they would go on strike, and take such course as a wise trade-union leader would never adopt. I think anyone who has known the labor market for the last thirty years will say that the demands are almost without exception far more moderate in their character than they used to be before the men were so much under the influence of the unions.

Sir William Mather, M. P., senior partner in a great North of England engineering firm, says of the influence of trade unionism on British industry:

We employers owe more than, as a body, we are inclined to admit to the improvements in our methods of manufacture, due to the firmness and independence of trade combinations. Our industrial steadiness and enterprise are the envy of the world. The energy and pertinacity of trade unions have caused acts of Parliament to be passed which would not otherwise have been promoted by employers or politicians, all of which have tended to improve British commerce. And it is worthy of note that this improvement has gone on concurrently with great and growing competition of other nations, owing to the development of their own resources. The enormous production of wealth in Great Britain during the present half century, which is due to natural resources and the labor and skill bestowed upon their development, has grown most rapidly during a period remarkable for the extension of the power of trade unionism. Prosperity beyond the dreams of avarice has followed in the wake of our industrial habits and customs, and these have undoubtedly been largely promoted by the great labor organizations. Some forty acts of Parliament, affecting the rules and customs of almost every occupation, have been promoted, and mainly supported or extended, by the influence of trade unions during the last fifty years. Some deal with the safety and health of the laboring classes as a whole while in the pursuit of their work. Others protect women and children from oppression or conditions of employment unsuited to their sex or age. Many of them tended to promote improved appliances in all industries whereby labor is less of a drudgery. Every intelligent employer will admit that his factory or workshop, when equipped with all the comforts and conveniences and protective appliances prescribed by Parliament for the benefit and protection of his work people—though great effort, and it may be even, sacrifice on his part, has been made to procure them—has become a more valuable property in every sense of the word, and a profit has accrued to him, owing to the improved conditions under which his work people have produced.

One of the chief efforts of the union, Sir William Mather says, is to obtain high wages and short hours. But he maintains there is no

case on record where any union has struck or agitated for one or the other of these objects without believing that the trade could stand it, or without discrediting the statement of the employers to the contrary, and in deriding their fears that the industry by which they both lived would suffer. The belief may have been erroneous. A disastrous strike or lockout has not infrequently resulted from ignorance of facts which proved that the views of the trade union were completely mistaken. On the other hand, he maintains, strong and persistent agitation to benefit the workers has secured substantial concessions from employers without any check to the progress of the trade.

Sir William Mather also says he is not unmindful of the fact that the trade unions in their struggles to obtain good results have even used unjustifiable means, have caused much acute though temporary suffering, and have employed even brutal methods occasionally. But these mistakes and evil doings have always included among the sufferers those who so rashly entered upon a bitter and unnecessary conflict. Viewed historically, they have left no permanent evil or injury continually sapping trade, though for a time they have weakened it, while the good effected by them has passed into industrial life to strengthen it and into the laws of the country to improve them.

One of the foremost writers in England on sociological and economic questions, whose reputation is international, is Mr. Sidney Webb, a member of the London County Council. Mr. Webb says that what unionism has done for the great body of workers can be most readily seen when one compares the difference in conditions in those trades in which women are organized and those in which they are unorganized. The only trade in which an organization exists among women is among the cotton weavers and card-room hands, and one has only to see how much better is the position of those women compared with women in other trades to appreciate what they gain by the union. The conditions in Lancashire among the cotton operatives are regulated by law and collective bargaining, and that has been one of the great results of trade unionism—the substitution of collective for individual bargaining. When an employer can deal with each employee as an individual and separately he has an enormous superiority which he ought not to possess, and which enables him to obtain an advantage either in the matter of wages or hours of labor. The substitution of collectivism for individualism corrects in a measure that great wrong and brings the two sides nearer to an equality.

Mr. Webb does not hold that the effect of trade unionism has been to reduce all workers to a dead level. He maintains that they have a perfect right to establish a standard of production precisely as they have the same right to try to obtain an increase of wages. The workman has something to sell—his time and his labor—and he has a right to obtain for these whatever he can.

The foremost labor member of Parliament in England is Mr. John Burns, who has long taken a leading part in the labor struggle. He said:

So far as the labor leaders are concerned we are all strongly opposed to the restriction of production; we are all in favor of higher wages and shorter hours, which will enable men to enjoy sober and proper recreation, and above all we are in favor of better and more conscientious work. And if those things should incidentally mean a diminution in the production of cheap and nasty goods, only to that extent can it be alleged that we are in favor of a restriction of production.

Mr. Burns points to the statistics relating to changes in rates of wages and hours of labor for 1902, published by the Board of Trade, as proving the beneficent effects of trade unionism. This report shows that while 91,812 work people received advances during the year amounting to £5,326 (\$25,919) per week, or an average of 1s. 2d. (28 cents) per head, 793,041 sustained decreases amounting to £78,027 (\$379,718) per week, or an average reduction of 1s. 11½d. (48 cents) per head, and these changes, which fell heavily upon the workingman, were accomplished without serious strikes or stoppage of work, as the number of disputes was lower than that for the preceding year, hitherto the lowest on record. The report to which Mr. Burns refers says: "Changes affecting 80 per cent of the work people were arranged by conciliation, arbitration, wages boards, sliding scales, or other conciliatory agencies. This large percentage is due to the fact that the changes in the coal and iron trades, in which the most widespread changes of wages occurred in 1902, are now usually arranged by such methods." Mr. Burns also calls attention to the fact that 98.6 per cent of all the changes were made without stoppage of work, and among only 1.4 per cent of the whole number of work people employed were changes effected after work had ceased. Mr. Burns maintains that the influence of trade unionism is steadily exerted against strikes and in favor of accepting lower wages when it is proved that the employer is justified in making a reduction, and that the whole tendency of trade unionism is directed toward maintaining the most amicable relations with the employer and at the same time properly protecting the rights of the employee.

In a paper read before the Industrial Conference, at the Crystal Palace, London, July 10, 1903, Mr. S. B. Boulton, a prominent wholesale merchant of London, chairman of the London Labor Conciliation and Arbitration Board, said:

The formation of trade unions led, in many industries, to the establishment of employers' associations, the objects of the two classes of combinations being usually antagonistic; it was only later on that the idea occurred of using these rival associations as vehicles for arriving at a mutual understanding between masters and men. The first serious attempt of reducing this idea to a practical reality appears to be due

to the initiative of Mr. Mundella, who, in 1860, at Sheffield, after a grievous series of strikes in the hosiery trade, succeeded in forming a conciliation and arbitration board. The movement, although regarded at first with extreme suspicion, turned out to be a marked success, and as nothing succeeds like success, the example gradually spread to the lace trade and to other trades. In 1869 it was adopted by the manufacturing iron trade at Darlington. The iron trade in South Staffordshire, in South Wales, and in Scotland, and the Cleveland ironstone mines, the Staffordshire potteries, the chemical trades of Northumberland and Durham, and various large collieries followed suit.

I will not attempt to describe in detail the very numerous trade conciliation boards which have been formed down to the present time upon a somewhat similar basis to that founded by Mr. Mundella. Their constitution is mainly that of a joint board or committee composed partly of employers and partly of employed, who meet together to settle rates and conditions of labor in connection with the particular trade in which they are jointly interested. Some of these boards assemble from time to time, as occasion may arise, others—as, for instance, in the case of the great colliery associations—adjust the rates of wages periodically, as we all know, by means of a sliding scale, fluctuating with the selling price of coal; many of them appoint an arbitrator or umpire in the event of the joint board being unable to come to an agreement. These boards have had an extremely useful career, and have done incalculable good in greatly diminishing the frequency of strikes and lockouts, although they have not, in some instances, succeeded in preventing them. This type of conciliation appears to be best adapted to large industries spreading over whole districts, where both the trade unions and the employers' associations are well organized, and are able to speak with authority on behalf of their respective constituents.

The great London dockers' strike in 1889, which affected the prosperity of the greatest commercial port in the world, led to the formation of the London Labor Conciliation and Arbitration Board, which was the work of the London Chamber of Commerce.

The board is composed of 12 members representing employers, who are annually elected by the council of the chamber, and of 12 representatives of labor annually elected by the delegates of the trade unions of London, every member having equal voting powers. In case of a labor dispute within the metropolitan area of London, the board offers its services to the disputants and invites them to a friendly conference. If the meeting takes place, neither side is committed nor compromised to any further course except with its own consent, but an effort is made to induce the disputants to arrive at an amicable agreement. In many if not in most cases, this procedure by conciliation has proved to be successful in arriving at a settlement. Where, however, conciliation by the above method has not succeeded, a recourse to arbitration under the auspices of the board is recommended. When requested, the board proceeds to appoint arbitrators, who, without delay, give a

full hearing to both parties in the presence of each other, and after due consideration the board makes its award. In appointing arbitrators, the board is not bound to confine nominations to members of its own body; but in this direction it has, after careful experiment, made a new departure which has proved eminently successful. It consists in naming a panel of arbitrators, either two or some other even number, one-half of whom are employers and the other half workmen, but none of whom is concerned in the dispute under adjudication. Thus constituted, the arbitrators are thoroughly impartial, and they are also practically acquainted from both sides of the question with the prevailing conditions of labor in the port of London. Mr. Boulton said:

When this idea was first mooted it was met in some quarters with something like derision. It was said that, as a matter of course, the workmen on the panel would all vote one way and the employers the other, and that a deadlock would thus at once ensue, and that in such a case the two orders, having an equality of votes, would never agree as to the choice of an umpire. It will surprise those who have not given much attention to the proceedings of the London Labor Conciliation and Arbitration Board, and it will gladden the hearts of all those who believe in a future of better relations between capital and labor, to be told that in every single instance when arbitrators have been appointed as above described the decision has been absolutely unanimous. I have taken part, as chairman, in almost all the arbitrations which have been conducted under the auspices of the board since its commencement. As an employer of labor in this and other countries, and as one who, during a long business career, has had some experience in arbitrations of various kinds, I can bear testimony to the spirit of thorough impartiality in which these mixed panels, the workmen equally with the masters, have approached and dealt with the questions submitted to their arbitration. And, as another matter for sincere congratulation, since the formation of the board there has never been an instance where the award arrived at under arbitration or the agreement entered into under the auspices of the board by its methods of conciliation has not been accepted and loyally carried out by both parties to the dispute. In almost all instances the board has been cordially thanked by both disputants; and it is of frequent occurrence that, after a first experience of its methods, both employers and employed in various industries continue from time to time to bring their difficulties before the board for adjustment. I can not but think that methods which have produced such results are worthy of more extensive application than has hitherto been accorded to them, and that voluntary conciliation boards, conducted upon principles which have thus far stood the test of experience, are perhaps the best methods of maintaining industrial peace.

To make this inquiry complete it was deemed advisable to obtain the views of a nonunion workingman of standing and character. Such a man was found whose character and efficiency as a workman was vouched for by his employer, one of the most prominent in London. This nonunion workman said he had no objection to giving his views

provided his name was not used, as he did not wish to become involved in difficulties with his associates. He said:

I have worked at my trade, man and boy, for more than forty years, and in all that time, except for a very brief period, I was never a member of a union. When I was quite young, immediately after I was out of my time, I was induced by the other men in the shop to become a member of a union and I remained a member for about three years, when I gave up my card, and I have never been connected with a union since. I don't believe in the union. I don't believe it has done much good for workingmen, and I feel quite sure that it has done them a great deal of harm. If there were no unions the best man among workmen, the man who can do the best work and who is willing to work the hardest, would get along the best and make the most money, just the same as he does in any other class; but the union won't let us do that. It insists that the man who wants to work shall do no more work than the lazy fellow, and the best workmen can earn no more than the worst. I do not believe in this talk about the union having done so much to improve the condition of the workingman. I think the workingman would have been just as well off if there had never been a union, and in some ways he would have been a great deal better off, because there would have been fewer strikes and not so many stoppages.

This man was asked whether the union had not enabled the working-man to save. His answer was:

I can't see it in that way. Come good, come bad times, I have always managed to put away a bit every week, and I can belong to a friendly society or a building society without having to be a member of a union. The unions take money from us to pay for strikes, and I want my money to be saved for the time when I can't work, or meet with an accident, or for the wife and children when I'm gone. Any man can save more outside of the union than he can in. I would belong to the union if I thought the union would do me or my mates any good, but I don't believe it does.

In 1896 Parliament passed an act—the conciliation act of 1896—which empowers the Board of Trade, where a difference exists or is apprehended between an employer and his workmen, to inquire into the cause and circumstances of the difference; to take such steps as to the board may seem expedient for the purpose of enabling the parties to meet together under the presidency of a chairman mutually agreed upon and nominated by the Board of Trade, with a view to amicably settling all the differences; on the application of employers and workmen to appoint a person to act as a conciliator or to appoint a board of conciliation; on the application of both parties to appoint an arbitrator. The Board of Trade is required to present to Parliament a report of the proceedings under this act, and the latest report, August 1, 1901, gives a history of proceedings under the terms of the act since it went into effect. "During the period covered by the present report the two most important points in connection with the administration of the conciliation act have been the relative increase in the number of joint applications to the Board of Trade for arbitration as compared with

ex parte applications for conciliation, and the growing tendency on the part of the volunteer boards of conciliation and arbitration to embody in their rules for an appeal to the Board of Trade to appoint umpires in case of a deadlock."

For the first ten months after the passage of the act 35 cases were acted upon by the board; during the next two years there were 32 cases, and during the last two years, ending July 1, 1901, there were 46. The total number of cases since the passage of the act is 113. During the last two years there were 3 cases of action by the board of trade without application from either side, 3 applications from employers only, 16 from workmen only, and 24 from both employers and workmen. The report says:

An interesting development in connection with the rules of voluntary conciliation boards and agreements between employers and work people providing for the establishment of such boards is the insertion in many cases of a clause providing that if the board fails to agree upon any question submitted to it the Board of Trade shall be asked to appoint an arbitrator or conciliator. No less than 35 boards are known to have adopted clauses of this character.

So far every application to the board for the appointment of an arbitrator or umpire, under the rules of the conciliation board, has been complied with. Provisions of this character provide a useful escape from the deadlock created when a conciliation board fails to agree, and, so far as possible, the board of trade has encouraged their adoption.

In the report on strikes and lockouts in the United Kingdom in 1901, issued by the Board of Trade, Mr. H. Llewellyn Smith, the head of the labor department, uses this language:

The settlement of strikes and lockouts forms but a very small proportion of the work of permanent conciliation and arbitration boards and joint committees. To appreciate these agencies at their true value account should also be taken of the numerous alterations effected in working conditions by them without any stoppage of work having taken place. Thus in the recent report on changes of wages and hours of labor in 1901 it is shown that 75 per cent of all the changes of the year, as measured by numbers of persons affected, were arranged by sliding scales, wages boards, or other methods of arbitration and conciliation, while only 2 per cent of the changes followed upon strikes or lockouts.

According to the eighth annual abstract of labor statistics of the United Kingdom for 1900-1901, issued by the Board of Trade, at the end of the year 1900 there were 1,272 trade unions, with a total membership of 1,905,116. A statistical abstract of the status of one hundred of the principal trade unions shows that these unions had a membership of 1,158,909 and an aggregate income of £1,974,611 (\$9,609,444), an average per member of £1 14s. 1d. (\$8.29). Their expenditures amounted to £1,490,582 (\$7,253,917), an average per member of £1 5s. 8 $\frac{1}{2}$ d. (\$6.26). The total funds aggregated £3,766,625 (\$18,330,281),

which gave an average of £3 5s. (\$15.82) per member. These hundred unions expended for unemployed benefits during the year £265,328 (\$1,291,219), for dispute benefits £150,283 (\$731,352), for sick and accident benefits £323,231 (\$1,573,004), and for superannuation benefits £190,039 (\$924,825).

### CONCLUSION.

Certain legitimate conclusions can be drawn from these opinions of men whose views are often antagonistic and antithetic—from the experience of men who always must look at the labor question from the opposite sides of the shield—who, no matter how sincere their purpose not to be governed by selfish motives or material consideration, are unconsciously influenced by personal interest. Whatever else may be subject of dispute, whatever else may continue to remain open to speculative inquiry and unsolvable because its solution rests on the personal answer which each man will supply according to his own personal convictions, it is evident that each side in some cases and both sides in others are convinced that trade unionism has produced certain exact results, so apparent, so firmly established, that they have ceased to be theories and have become facts. These are:

(1) The workingman who is a member of a union is firmly convinced that the union has been the means of materially improving his condition.

(2) The union workingman believes that the union and trade unionism in general has enabled him to obtain higher wages, shorter hours, and more humane treatment from his employer.

(3) But for the union, the cohesive force of organized labor, and the strength which comes from organization, the workingman believes that his wages would have been reduced, his workday lengthened, and legal and other social reforms would not have been made or their accomplishment would have been much slower.

(4) But for trade unionism collective bargaining would have been impossible, and the workingman believes that nothing has done more to improve his condition and bring about the general improvements which he credits to trade unionism than the substitution of collectivism for individualism in carrying on negotiations between employee and employer.

(5) A certain number of employers believe that trade unionism has been positively detrimental to the interests of the workman, as well as to the employer, and generally injurious to British industry and commerce.

(6) A certain number of employers, while not regarding the trade union in all its features for the best interests of capital and labor, still approve of it in principle, because by means of the trade union collectivism has been substituted for individualism, which is clearly for the benefit of both sides.

(7) Leaving aside the speculative inquiry whether boards of conciliation and arbitration would have come into existence if there had been no trade unions, those employers who believe in some method of averting or settling labor disputes by amicable adjustment rather than by force are convinced that the existence of the labor union has made it easier for the creation of such machinery and it has been of incalculable benefit to both sides.

(8) Employers who have instituted premium or bonus systems, or other methods by which superior and more economical work is compensated by a bonus over a standard wage, admit that these systems naturally flowed out of unionism, as the union has established a standard of wage and output which forms the basis of cost in the process of manufacture, the additional output above the minimum being regarded as an additional tax on the energy and skill of the worker, entitling him to extra remuneration. No employer pretends that in paying a bonus he is animated by philanthropic motives; he pays it because he believes it will pay him.

(9) Both employers and workmen are agreed as to the effect of unionism in restricting output, but they give it their own interpretation. Those employers who are convinced that unionism has restricted output look upon unionism as disastrous to industry. Those unionists who admit that it is necessary to fix a maximum, to protect the worker and prevent him from suffering from the cupidity or dishonesty of the employer, claim that the great body of workmen need to be protected against themselves, sometimes against their fellows, but more generally against their employers, and in adopting such measures of protection they are simply obeying the great rule of nature—that self-protection is paramount to every other consideration.

(10) Reluctant admission is made by unionists that in the past the attitude of the unions was antagonistic to the adoption of labor-saving and improved machinery. They claim that at the present time this antagonism is to be found only among those unions whose members, as a body, are low in the scale of intelligence, or occasionally among members of the highly skilled organizations who are ignorant of economic laws. The most intelligent labor leaders, however, assert their right to restrict the use of labor-saving and improved machinery when that use injures solely to the advantage of the employer and disastrously affects labor; when a machine, for instance, requiring only one or two men or boys to care for it, supplants the labor of perhaps six men. But, they assert, that if some of the profit accruing to the employer is shared by the employee in the form of increased wages or other amelioration of conditions of service, the workingman of intelligence does not oppose improvements in process of manufacture. The workingman believes it to be his duty to prevent himself from being “exploited” solely for the benefit of the employer; in other words, his manhood requires that

he shall resist by every means in his power having his face ground on the whetstone of capitalistic cupidity, which is the thing he fears most. Every improvement in the mechanical arts has led either to the displacement of a certain number of men or a rearrangement of manual labor. It is this constant flux, often resulting in severe distress until the displaced labor can be absorbed in other industries, that causes labor to regard with suspicion every mechanical improvement, and to make some of the least progressive men in their ranks look upon the machine as the means whereby they may be "exploited" by the employer, their pain being his profit.

Here one must proceed with more caution and a feeling of uncertainty. The investigator now sails a chartless sea, with no compass to point the direction to the safe haven, where the waters are unruffled by polemical waves. The assertion of the trade unionist that he is always willing to render "a fair day's work for a fair day's pay" is met by the rejoinder from the employer, "What is a fair day's work?" and the employer often contends that the position assumed by the unionist supports the allegation that the great aim of the union is to restrict or hamper the free exercise of the workman's powers, that the most baneful effect of trade unionism is to reduce all men to a dead level, and to set the amount of the day's work by the skill of the most inefficient rather than by the most efficient. A fair day's work for a fair day's pay is magnificent, but it is not business, some employers say. It sounds well rhetorically, but it means nothing practically. What constitutes a fair day's work for a fair day's pay? employers have repeatedly asked, only to be told that a fair day's work is the least that will satisfy the demands of the employer, but the fair day's pay is the utmost that can be obtained from the employer by the trade union.

One explanation given for the hold trade unionism has over its members in England is that the unions representing large and well-paid trades usually have well-filled treasuries and their members have contributed for so many years that they can not afford by any infringement of the rules or by noncompliance with the orders of the governing body to forfeit their share of the accumulated funds. "In a certain sense it would not be difficult to regard all the activities of trade unionism as forms of mutual insurance," is the expression used by Sidney and Beatrice Webb in "Industrial Democracy." The trade union not only provides a form of insurance, but many unions make provision for the time when their members, through advanced age or the loss of their physical powers, are no longer in receipt of full wages; and in case of a dispute with an employer, or when slack times cause a stoppage of factories and throw men out of work, it is to the union they look for support. A member may have joined his union before reaching his majority and may have met his payments and assessments

for a score of years, and yet at any moment he may be expelled or forfeit all claims against the society. Against his fellow-workers there is no appeal and no redress. Therefore, to enjoy the benefits which he has helped to create, a member of a trade union finds himself compelled to obey orders proceeding from the executive body, even if individually he regards those orders as foolish and unwarranted and distinctly detrimental to himself and his fellow-workers.

Many employers point to this as one of the evil influences of trade unionism. They say it has often happened that strikes have been ordered against the wish of the men, who were forced into leaving their work when a strike was declared because they could not afford to lose their savings, regarding temporary discomfort and the loss of their weekly wages as a smaller loss than the danger of expulsion from the union and the forfeiture of their accumulated savings.

The constitutions of most unions, however, throw many safeguards against hasty action by executive bodies and make it impossible for a strike to be declared unless it is agreed to by at least a majority of the members, and in many cases three-fourths of the membership must assent. The larger and better managed unions leave the matter of strikes to the branches, and while those subordinate branches have it in their power to prevent their members from working, provided always that this action has been indorsed by from a majority to three-fourths of the membership of that subordinate branch involved, the members can not look for financial support from the union as a whole unless the executive committee or other governing body has sanctioned this extreme method for obtaining redress for a real or imaginary wrong. The members of the executive committee are usually cautious and well-balanced men. They take a businesslike view of affairs. They are reluctant to spend the funds of the union, involving in some cases hundreds of thousands of dollars and the welfare of thousands of men, unless a vital principle is at stake or something may be gained worth fighting for. It is freely admitted that many strikes have been prevented because the members of the subordinate branches knew that they would not receive the financial support of the union and their local funds were not large enough to engage in a contest with any hope of victory.

The walking delegate and the business agent of the American union are practically unknown in England, and the tendency steadily increases to concentrate responsible power in the hands of a strong executive committee or other governing body. The executive officer is usually the secretary, an intelligent, capable, experienced man, who is subject to the control of this governing body and administers the affairs of his union within the narrow and rigid limits prescribed by constitution and rules. He possesses little, if any, discretionary power. The constitutions of the larger and better organized trade unions

clearly prove that the intent of the union is to retain the power of action producing serious consequences, or which may vitally affect the interests of the trade, in the hands of the managing body or council with the members the court of last resort. Thus it is impossible for any one man to order a strike or to cause a stoppage of work because in his personal opinion the men are not properly treated, or the rules and customs governing the trade are being violated, or to pay off an old score. It is true that the Taff Vale strike was brought about mainly through the action of one man—the organizing secretary—who after he had forced the strike was supported by his union, but the effect of the Taff Vale decision has been to make such a thing almost impossible in the future. It will more narrowly restrict the power of any one man and will make the action of the union the action of its responsible officers, who must assume the responsibility and suffer the penalties if the law has been violated.

Nor should the fact be overlooked—perhaps the most vital fact in modern trade unionism in England—that the constant effort of labor leaders is to substitute legal and peaceful methods for force, and to make the strike a thing to be availed of only when all other methods have been attempted and have failed. Almost every large union has either a conciliation board or some other machinery by which a disagreement or threatened dispute can be discussed without prejudice and without passion and means devised whereby an understanding can be reached without resorting to a suspension of operations. Without statute, without the intervention of the lawmaking power, a certain number, and by no means an inconsiderable number, of the working-men of Great Britain have erected a code which has been accepted not only by themselves but by their employers, and which has proved an important auxiliary to the code created by Parliament. What may not appropriately be called the judicature of labor—such agencies as the Durham miners' conciliation committee and other committees of the same character that have been mentioned in this report—is performing its functions exceedingly well and doing that which it is the end of all law to accomplish, the substitution of reason for folly, of an exact and orderly method of procedure for falsehood and violence. A result of this movement, of more importance perhaps than anything else, has been the enforcement of discipline and loyal acceptance of a verdict no matter how unpalatable, and the moral effect of this is simply incalculable. There is in Great Britain much room yet for improvement in the relations existing between capital and labor, but anyone who knows what has been done there to improve those relations must feel that in some things British labor sets an example to other countries which might well be followed, subject to the necessary modifications always required to engraft a foreign system on domestic institutions. The time and labor which this investiga-

tion involved will not have been wasted if the facts herewith presented help in even the smallest degree to promote more friendly relations between capital and labor, to diminish labor disputes, and to make strikes in the United States less frequent in the future than they have been in the past.

#### APPENDIX A.—THE TAFF VALE CASE.

The following is a brief history of a dispute which led to one of the most important judicial decisions affecting labor in England:

In June, 1900, discontent existed among the men employed on the Taff Vale Railway, a system formed by the amalgamation of four small lines in Wales, the general office being in Cardiff. On June 30, James Holmes, one of the organizing secretaries of the Amalgamated Society of Railway Servants, stationed in Cardiff, addressed a circular to the signalmen employed on the Taff Vale system, asking them if they were in favor of a movement to obtain an advance of wages, promotion by seniority, additional pay for Sunday duty, and a better arrangement of working hours. "A more favorable opportunity," Mr. Holmes wrote, "will never present itself, and if you are dissatisfied with the present conditions, sign this paper and return it to me."

This circular came to the notice of Mr. Richard Bell, the general secretary of the society, in London, and he wrote to Mr. Holmes, warning him that he was in danger of meeting with the disapproval of the executive committee, the administrative council of the society, for exceeding his functions.

In his report for July to the Railway Review, the official organ of the society and published by it, Mr. Holmes used the following language in referring to the Taff Vale Railway management. Mr. Bell, who, in addition to being the general secretary of the society, is also the editor of the Review, exercised his editorial prerogative to delete Mr. Holmes's report, but the suppressed portion was later published in a special report made by Mr. Bell:

I am also very much surprised if two of them, at least, will not soon have plenty to do at home—but we shall see, we shall see. There is nothing I would like better than to measure swords with this T. V. R. dictator, and who knows how soon the chance may come? I don't not only not fear him but court a try, and if the men will only prove men I shall have no fear of the results. There is a black mark to rub out and I swear I won't rest till it has been done. The whole of the men victimized by Mr. Hurman have now got good jobs, and the society money has made up the loss sustained, and it has done one thing more than that—it has shown them that this man is not everybody, and just given them a little more independence, Mr. Hurman, and by good nursing it will give an account of itself ere long. It is the fear of losing their jobs we have to kill, and that is being done the quicker the nearer the goal.

Meanwhile the feeling between the men and their employers had been growing more acute. The men had held meetings and had determined to strike, or, as the term goes in England, "hand in their notices" unless granted concessions, and Holmes had addressed meetings at which, to put it moderately, he used language the reverse of conciliatory. The company had increased the tension by taking action which was either a tactical blunder or else a deliberate adoption of methods to arouse feeling. Ewington, a signalman who had been for more than twenty years in the company's service, and who had taken a leading part in the agitation in favor of improved conditions, was ordered to be transferred to a remote part of the system. Rightly or wrongly, the men interpreted this order as an attempt to intimidate them and to make a victim of Ewington. The company asserted that, on the contrary, Ewington's transfer was in the nature of a promotion, as it carried with it an advance of two shillings (49 cents) a week. At the time Ewington received his notice of transfer he was confined to his bed with rheumatism and therefore was physically unable to comply with his instructions. He protested against being transferred, even at an increase of wages, as he was satisfied where he was; but, on recovery, finding that his protest was unheeded, offered to accept the new place, only to be told that inasmuch as he had refused the place the vacancy had been filled, and so also had been his old box or "cabin." The company then offered him a new cabin, but at three shillings (73 cents) a week less than he formerly received. This Ewington declined and demanded that he be restored to his former place. The company refused his demand.

Holmes wrote to Bell "that the treatment of Ewington is the worst case I have ever experienced;" and Bell replied to him, under date of July 31, 1900, "I have received full details from Mr. Ewington about his treatment by the company. I feel that the men have done right in protesting against such treatment, and I hope the effort they have made toward his reinstatement will have some effect upon the management."

After several meetings, the men, on August 6, sent in their notices to the company, and Holmes, in his report to Bell, said the matter was very serious, and "there is nothing for it but a strike unless Signalman Ewington is reinstated." Replying to Holmes the next day, Mr. Bell wrote:

After carefully considering the whole statement made in your letter and also in the newspaper report, I can not help but think that the men have been very impatient and very undecided as to their course of action, and I fear whether what they have done will be conducive to the best results. I see that 363 notices were handed in on August 6 on behalf of a portion of the signalmen, guards, and brakemen, that another portion will be handed in by the same classes of men on Monday next, and, judging by the report of the firemen's

meeting held last Sunday, the notices of the firemen will be handed in on the Monday following that. I can not for a moment understand why the men should be so undecided as to their course of action, at any rate with regard to the date for taking action. They all seem to have gone absolutely on their own responsibility, disregarding the society's rules, the E. C. [executive committee] decisions, and all reasonable advice.

Bell also added that "even had this movement received the sanction of the E. C. it is not being conducted in accordance with the rules." And again, a few days later, Bell once more called Holmes's attention to the fact that for the men to strike without the sanction of the executive committee was in violation of the rules. Holmes of course knew that he was proceeding unconstitutionally, but evidently relied on obtaining the support of the executive after the die had been cast. Interviewed by the South Wales News on August 14, he said he had no fear of the men not being supported by the executive. "But failing that," he added, "the committee are going to appeal to the 600 branches of our society and ask them to contribute out of the management fund, as they have full power to do, £1 (\$4.87) per 100 members."

Recognizing the seriousness of the situation and the dangers involved, the Right Hon. C. T. Ritchie, M. P., the president of the Board of Trade, and a member of the cabinet, invited Mr. Bell to an unofficial interview to discuss the dispute. As a result of that interview, after a conference between Mr. Ritchie and the chairman of the Taff Vale Railway Company, Mr. Ritchie informed Mr. Bell that the company will "provide Ewington with a situation at a signal box which would not entail upon him either traveling or removal from his present abode." Bell agreed to go to Cardiff to try to have Ewington accept the company's offer, but before leaving he received a letter from Holmes, who said:

I still hope we shall avoid a conflict, but I have now not much hope. Public sympathy is dead in our favor, and if it comes to a fight I have every confidence we can beat them and dictate our own terms in six days.

Bell went to Cardiff and there met Holmes, Ewington, and others. "About the first thing that took place," Bell says in his official report, "was that Mr. Holmes said he hoped I had not come down to interfere with them; that the movement had been carried on by the men themselves, and the negotiations made by him, and that it was quite independent of the society. He handed me a circular he had issued in proof of the statement that it was carried on apart from the society, and that he was assisting the men in his personal capacity."

This circular urged the men "to remember the hundred and one grievances under which you have suffered far too long," and exhorted the men to stand firm and "we can settle this dispute in our own way."

Bell took Ewington aside privately, told him what had happened

between Mr. Ritchie and himself, and asked him if he would accept the company's offer. To this Ewington answered that he was entirely in the hands of his fellow-workmen, and that he could not accept as they would think him a coward.

Mr. Ritchie was informed by telegraph of Ewington's refusal, and replied by wire that the chairman of the company had telegraphed him that unless the men withdrew their notices it would be necessary for the company to engage new men. Mr. Ritchie also wired that the men would put themselves in the wrong, and that the company had never been actuated by unfriendly feelings in their treatment of Ewington. Mr. Bell had wired Mr. Ritchie asking whether he would object to his seeing Mr. Vassall, the chairman of the company, and Mr. Ritchie at once replied: "Have wired Vassall it will be well for him to see you." Thereupon Mr. Bell wired Mr. Vassall asking for an interview and received this curt answer: "Regret can not meet you to discuss men's conditions of service." Mr. Ritchie made a final effort to prevent a strike by wiring to Mr. Bell, after that gentleman's return to London on August 18, that in his opinion a strike would be unwarrantable and would not be sustained by public opinion.

A special meeting of the executive committee had been called for August 19, and at this meeting a resolution was offered recognizing the justice of the men's claims for improved conditions of service, but refusing them financial support because the rules of the society had been violated. This resolution was defeated and an amendment, in the following language, adopted by 7 votes to 5:

That, after hearing the evidence of the deputation from the Taff Vale Railway and the correspondence relating to the dispute, we can not but conclude: First, That the move of the men by taking action prior to obtaining the consent of this committee [w]as most condemnatory; secondly, that by the removal of Signalman Ewington the management of the company has acted most arbitrary, inciting the men to the present act; thirdly, having regard to both sides of the issue, we, as administrators of the society, decide that every effort be made by the general secretary and others we may appoint to bring the dispute to a speedy termination. We further, after careful consideration, hereby decide to support them financially.

Holmes was notified of the action of the executive committee, and a letter was sent by Mr. Bell to Mr. Ritchie, in which the following language was used:

From their report it appeared clear to my committee that a willful attempt had been made by Mr. Harland, superintendent of the line, to victimize Ewington. In support of this it is stated that Mr. Harland said he should inform Ewington that he had brought it all on himself, the company were determined to have a contented staff in their service, and they would be perfectly justified in discharging all those who took part in the recent agitation. I believe this can be proved, and that being the case, my committee were determined at all costs that such tyranny

should be put down. \* \* \* I regret very much the strike taking place. I believe you are aware they are things I detest, and will do anything almost to avoid.

This is now beyond my control, and I have nothing to do but to lead the fight. However, I shall be quite ready at any moment to meet the management of the company to try to arrange terms. At this stage the settlement can be made only through me.

In obedience to the resolution adopted by the executive committee, Mr. Bell proceeded to Cardiff to take personal command of his forces. On arriving in Cardiff (August 20) he sent a communication to Mr. Beasley, the general manager of the Taff Vale Railway, making certain proposals for a settlement, but the effort was fruitless and the men went on strike. Mr. Ritchie made still another attempt to restore peace by notifying Mr. Bell by wire on August 23 that the company had decided to leave to him (Ritchie) the decision whether Ewington had been badly treated, provided the men would at once return to work, but to this the men would not consent, and on August 25 Mr. Hopwood, of the Board of Trade, was sent to Cardiff to take personal charge of the negotiations as Mr. Ritchie's representative.<sup>(a)</sup> He had repeated conferences with Mr. Bell and the directors of the company, and on August 30 the men and the company accepted a compromise by which the company pledged itself to receive deputations from the men to discuss their grievances. Some of the men went back to work on September 1, and nearly all of the others were reinstated during the following week. Thus the strike, one of the shortest and one of the most important in the history of English labor, was brought to an end, but it proved to be one of the most costly, as the sequel will show. How far-reaching its effect and how deeply it may affect economic conditions, only the future can answer.

Immediately following the action of the men in leaving their employment, the Taff Vale Company obtained summonses against 208 men for breach of contract for having left the company's service without notice or with insufficient notice, and in the Cardiff police court 60 men

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<sup>a</sup>Mr. Hopwood in his report to the president of the Board of Trade said:

So far as I am personally concerned, and putting aside the Amalgamated Society of Railway Servants for the moment, this case has done enough to confirm me in my opinion that railway companies would lose nothing by deciding to receive in conference an agent of their servants, whoever he might be, as long they were given reasonable evidence that such an agent really represented the majority of a class, and was prepared to take the responsibility of binding that class by his actions.

The decision of the executive was received with regret by Mr. Bell and the leaders who acted with him. Mr. Bell, as is usual in cases in which I have negotiated with him, played his difficult part with admirable fairness. He struggled hard to gain, and he did obtain through me, everything which he deemed would be essential to the best interests of the men, and I do not in the least blame him for being unable to induce the executive committee to accept terms which he knew to be fair and equitable under all the circumstances of the case. Mr. Bell, taking a wide and generous view of the pros and cons of the whole matter, grasped the fact that the terms would receive the approval of public sentiment. The executive committee, influenced by the strong feeling of their constituents, could merely deal with the subject from a narrower point of view.

were each fined £4 (\$19.47) and costs. The company next, August 23, applied for an injunction to restrain the Amalgamated Society of Railway Servants, Bell, Holmes, and the other officers and the members generally from doing certain acts alleged to be illegal, such as picketing, "besetting" the plaintiff's stations, intimidating and using violence toward the company's employees, and generally interfering with and obstructing the conduct of the company's business; also claiming damages in the sum of £24,626 (\$119,842) for the injury done to the plaintiffs by the loss of their business and the extra expense involved arising out of the unlawful and malicious conspiracy of the defendants. A temporary injunction and restraining order was issued against Bell, Holmes, et al., and the writ made returnable on August 30.

The case was heard in the high court of justice before Mr. Justice Farwell, who took under advisement the application against the society, but granted an interim injunction against Bell and Holmes to restrain them from watching and besetting the works of the plaintiffs or the places of residence of any workman employed by the plaintiffs, for the purpose of persuading or preventing any persons from working for the plaintiffs. On September 5 he made two orders, one refusing to strike the name of the society out of the action, and the other granting an interim injunction against the society, holding, contrary to the contention of the society, that it could be sued as a trade union. The defense set up by the society was that under the two acts of Parliament enacted for the creation of trade unions (34 and 35 Vic., c. 31, and 39 and 49 Vic., c. 22, more generally known as the trade unions acts of 1871 and 1876) a trade union was neither a corporation nor an individual nor a limited-liability company, and while the trustees of a union were empowered to bring or defend any action touching the property of the union, and in all cases concerning the real or personal property of the union might sue or be sued, the union, as a union, was not collectively liable for the acts of its members or responsible for those acts either civilly or criminally. The importance of a judicial interpretation of this section of the act was of the utmost consequence to the trade unions no less than to the general public.

Justice Farwell gave a new status to the trade unions by deciding that the union, as a union, was an entity to be reached by the process of the court, arriving at his conclusion in these words:

Although a corporation and an individual, or individuals, may be the only entities known to the common law who can sue or be sued, it is competent to the legislature to give to an association of individuals, which is neither a corporation nor a partnership nor an individual, a capacity for owning property and acting by agents; and such capacity, in the absence of express enactment to the contrary, involves the necessary correlative of liability, to the extent of such property, for the acts and defaults of such agents—in other words, the liability of being sued in its registered name.

As to the competency of the action against Bell and Holmes, as individuals, no question was raised, but from the decision granting the interlocutory injunction against the society an appeal was taken.

The strike terminated long before the appeal could be heard, and therefore, so far as the injunction affected the freedom of action of the parties involved, it was a dead letter, but both sides saw at once that a vital question was at issue. The Taff Vale Company knew that an action for damages against individual members, in the event of that action being successful, would in all probability be a barren victory, as on other occasions employers had obtained verdicts and damages against their employees which could not be satisfied because the employees, not being men of substance, had no property that could be attached. But here was an entirely different case. Here was a society with \$1,500,000 in its treasury, and if the decision went against the society it could not escape its responsibility. Naturally, both sides were determined to defend what each considered to be its rights.

The appeal came on for hearing in the court of appeals before the master of the rolls, Lord Justice Collins and Lord Justice Sterling on November 12, 1900. The only question at issue was whether Mr. Justice Farwell had erred in deciding that the society could be sued. Mr. Haldane, Q. C., M. P., for the appellants, maintained that, following the strict letter of the acts of 1871 and 1876, a trade union could not be sued. Sir E. Clarke, Q. C., for the respondents, contended that if this argument was sound the act of 1871 had created "a society that would bear the character of a chartered libertine. I maintain," he said, "that the legislature intended to create an entity."

Judgment was given on November 21, the master of the rolls reading the unanimous opinion of the court. In his opinion the master of the rolls said:

If a trade union can be sued in the manner proposed in this case, the funds of the union will be liable to be taken in execution under a judgment obtained against the union in the society's name. Whether this ought to be so or not is one thing which I have not to inquire into. Whether it is so, that is, whether the union can be sued in this manner proposed, is another matter, and this I have to decide. Mr. Justice Farwell has held that this action is maintainable against the union in the society's name, and against this judgment it is that the members of the trade union appeal. The learned judge in the early part of his judgment says what is undoubtedly the truth when he said that a "trade union is neither a corporation nor an individual, nor a partnership between a number of individuals," and in this I entirely agree. There can, in my judgment, be no doubt that at common law the defendants could not be sued in the name in which they are sued in this action, any more than a tradesman could sue a defendant in the name of a West End club for goods supplied by him to that club, for the simple reason that the name of a club is not the name of a corporation nor an individual member of a partnership, which, apart from statute, are the only entities known to the law as being capable of being sued. In order,

therefore, that the action can be maintained against the defendants in the name of "Amalgamated Society of Railway Servants," there must be some statute enabling this to be done, either by creating the society a corporation or enacting that it may be sued in its registered name, and this, as the learned judge states—and in this I also agree—depends upon the true construction of the trades-union acts.

The court held that there was no section in the acts empowering a trades union to sue or be sued, and that if the legislature had intended to make that possible "the legislature well knew how, in plain terms, to bring about such a result." In conclusion, the master of the rolls said:

As there is no statute empowering this action to be brought against the union in its registered name, it is not maintainable against the Amalgamated Society of Railway Servants, ex nomine, and these defendants must therefore be struck out, the injunction against them must be dissolved, and the appeal as regards these defendants must be allowed with costs here and below.

From the judgment the company asked leave to appeal, and served notice on the society that it had lodged an appeal in the House of Lords, the court of last resort in England.

The appeal was heard before the Lord Chancellor and Lords Macnaghten, Shand, Brampton, and Lindley, the court, by a unanimous bench, overruling the court of appeal and sustaining the judgment of Mr. Justice Farwell. In pronouncing the opinion of the court the Lord Chancellor said:

In this case I am content to adopt the judgment of Farwell, J., with which I entirely concur; and I can not find any satisfactory answer to that judgment in the judgment of the court of appeal which overruled it. If the legislature has created a thing which can own property, which can employ servants, which can inflict injury, it must be taken, I think, to have impliedly given the power to make it suable in a court of law for injuries purposely done by its authority and procurement. I move your lordships that the judgment of the court of appeal be reversed, and that of Farwell, J., restored.

Lord Macnaghten in concurring said:

May a registered trade union be sued in and by its registered name? For my part I can not see any difficulty in the way of such a suit. It is quite true that a registered trade union is not a corporation, but it has a registered name and a registered office. The registered name is nothing more than a collective name for all the members. The registered office is the place where it carries on its business. A partnership firm which is not a corporation, nor, I suppose, a legal entity, may now be sued in the firm's name; and so, when I find that the act of Parliament actually provides for a registered trade union being sued in certain cases by its registered name as a trade union, and does not say that the cases specified are the only cases in which it may be so sued, I can see nothing contrary to principle or contrary to the provisions of the trade-union acts in holding that a trade union may be sued by its registered name.

Lords Shand and Brampton, in short opinions, agreed with Lord Macnaghten, using substantially the same language. Lord Lindley said:

I entirely repudiate the notion that the effect of the trade-union act of 1871 is to legalize trade unions and confer on them rights to acquire and hold property, and at the same time to protect the union from legal proceedings if their managers or agents acting for the whole body violate the rights of other people. For such violation the property of a trade union can unquestionably, in my opinion, be reached by legal proceedings properly framed. The court of appeal has not denied this, but it has held that the trade union can not be sued in its registered name; and in strictness the only question for determination by your lordships now is whether the court of appeal was right in holding that the name of the trade union ought to be struck out or the writ and the injunction granted against the trade union in that name ought to be discharged.

A careful study of the act leads me to the conclusion that the court of appeal held, and rightly held, that trade unions are not corporations; but the court held, further, that, not being corporations, power to sue and be sued in their registered name must be conferred upon them, and that the language of the statutes was not sufficient for the purpose. Upon this last point I differ from them. The act appears to me to indicate with sufficient clearness that the registered name is one which may be used to denote the union as an incorporated society in legal proceedings, as well as for business and other purposes. The use of the name in legal proceedings imposes no duties and alters no rights; it is only a more convenient mode of proceeding than that which would have to be adopted if the name could not be used. I do not say that the use of the name is compulsory, but it is, at least, permissive.

Immediately after the decision in the House of Lords, the company began an action for damages to recover the sum of £24,626 (\$119,842), the bill of complaint of plaintiff's setting forth:

The plaintiffs have suffered damage by reason of the defendants, other than the trustees, unlawfully and maliciously conspiring together to molest and injure the plaintiffs in their business, or alternately by reason of an unlawful combination on the part of the said defendants to carry on a strike of the plaintiffs' servants by unlawful means, or in the further alternative by reason of the said defendants individually having knowingly committed violations of the legal rights of the plaintiffs.

The company secured a verdict for the full amount claimed in its bill of complaint, and seeing the futility of further continuing the fight, the society reached a settlement with the company and paid the sum of £23,000 (\$111,930) to compromise the suit and in payment in full of all damages against the society or any of its officers or members. The case from first to last cost the society in round figures, £50,000 (\$243,325), as in addition to the £23,000 (\$111,930) paid as damages, the society paid the company's taxed costs, amounting to £13,000 (\$63,265), and the society's costs and other legal expenses reached an

amount not much less. But it is interesting to note as showing the financial strength of the society that after the payment of these heavy sums, and without having to levy any increased or extra assessment to meet them, there still remained in the treasury £274,000 (\$1,333,421).

Pending the trial of the action a serious division was caused in the ranks of the society because the suggestion was made that the society should disavow Holmes and his actions, and allow him to defend himself without the financial support of the society. The solicitors engaged by the society suggested that it might be wise for Holmes to be represented by separate counsel at the trial of the action, so that the union would be in a position to claim that the actions of Holmes were unauthorized. To this suggestion Mr. Bell replied that it was impossible for the society or himself to associate themselves with Mr. Holmes in his defense, as his actions up to the 20th of August were entirely upon his own responsibility and contrary to the rules and regulations of the society. Holmes appealed to the executive committee not to separate his defense from that of the society, and warned the committee that if this plan was followed he would be a hostile witness against the society, which would be the means of costing it thousands of pounds.

After prolonged debate the executive committee decided that Holmes should receive full legal protection at the trial and the funds of the society should be used in his defense. When the result of the committee's action was known the Liverpool branch served notice on the executive committee that in case society funds were used in payment of Holmes's defense, members of the committee and the trustees would be held personally and pecuniarily responsible, and steps would be taken to secure a refund, and a few days later action was begun by the Liverpool branch for an injunction to restrain the society from using the funds. The motion coming on for hearing before Mr. Justice Joyce in the court of chancery, the injunction prayed for was granted on the ground that the use of the society's funds for the purpose proposed was contrary to the rules and constitution of the society. The question of an appeal from the decision of Justice Joyce was seriously considered, but further proceedings were rendered unnecessary by the settlement of the main action.

This celebrated case gave rise to a long debate in the House of Commons on the 14th of May, 1902. A resolution was introduced declaring that "legislation was necessary to prevent workmen being placed by judge-made law in a position inferior to that intended by Parliament in 1875," and the supporters of the resolution demanded that the Government appoint a committee to investigate the subject and ascertain if the law needed amendment.

Mr. Bell, in the course of his speech, said:

The promoters of the act had not the least notion of making unions legal and suable entities. Therefore, from 1871 to 1901, thirty years,

during which period not less than 25,000 strikes and lockouts must have occurred, lords, commons, judges, lawyers, employers, and workmen, all had believed that trade unions were not suable for wrongs committed by officers and members. \* \* \*

To expose the large amalgamated societies of the country with their accumulated funds, sometimes reaching a quarter of a million sterling, to be sued for damages by any employer in any part of the country, or by any discontented member, or nonunionist, for the action of some branch secretary or delegate, would be a great injustice. If every trade union were liable to be perpetually harassed by actions at law on account of the doings of individual members; if trade unions funds were to be depleted by lawyers' fees and costs, if not even by damages and fines, it would go far to make trade unionism impossible for any but the most prosperous and experienced artisans.

Mr. Bell contended that while it was declared illegal for trade unions to strike in order to compel men to join unions, the employers were at liberty to discharge men simply because they were members of trade unions. "What we complain of," he said, "is that the new interpretation put on the law by the judge is all in favor of the employer."

The Attorney-General, Sir Robert Finlay, replying, said:

What the House of Lords decided was that the ordinary law of the land applied to trade unions as to everybody else. They did not introduce any exceptional law for the case of trade unions; they decided that where those who constitute trade unions employ officials, for the acts of those officials within the scope of their authority, within the scope of their duty, they are liable, just as any other employer is liable for the acts of his servants. That is the whole decision in the Taff Vale case. \* \* \*

It would be a marvelous thing if an association of individuals were to be at liberty to employ servants and officials for the purpose of doing a certain class of acts relating to trade disputes, and yet not be liable in the case of injury being done by those acts.

The debate was further participated in by Mr. Keir Hardie, Mr. Asquith, Mr. Haldane, and other prominent lawyers, who pointed out that too much uncertainty existed regarding the legal status of trade unions, and that the trade-union acts needed amendment.

The resolution, however, was defeated, but some months later, owing to continued agitation on the subject, the Government admitted that a useful purpose might be served by an inquiry and appointed a royal commission on trade disputes. The commission consists of the Rt. Hon. A. Graham Murray, K. C., M. P., Lord Advocate for Scotland, chairman; Sir William Lewis, Bart., a leading colliery owner of South Wales; Sir Godfrey Lushington, G. C. M. G., K. C. B., formerly under secretary to the home office, Arthur Cohen, K. C., a leading member of the bar, and Mr. Sidney Webb, L. C. C., the well-known sociologist. The trade unions, however, have resolved to ignore the commission on the ground that a fair inquiry is impossible, unless organized labor is represented on the commission by a member; and that the commission as it is now composed is virtually

packed against labor. Labor men call attention to the fact that Mr. Murray, both in 1902 and in 1903, voted against the trade-unionists, that Sir William Lewis, as an employer, has always been an active opponent of trade unionism, and that both Sir Godfrey Lushington and Mr. Sidney Webb have written articles upholding the Taff Vale decision.

At a joint meeting of the management committee of the General Federation of Trade Unions, the parliamentary committee of the trade-union congress, and the labor representation committee, which was held after the appointment of the commission was announced, a resolution was adopted protesting against the appointment of the commission as "being calculated to hinder the early settlement of the point at issue, and in addition to this fundamental objection, we protest against the composition of the committee, which includes a majority of members already committed to a course of action in relation to the subject they have to examine and report upon, and, in addition, certain representatives of the organized employers but no representative of the organized workman, and is therefore neither impartial nor judicial." It was also agreed that no evidence or assistance was to be given to the commission by workingmen, and since the commission has been organized, although numerous invitations have been extended to the representatives of organized labor to appear before the commission, they have resolutely declined to do so.

Because of the leading part taken by Mr. Richard Bell, the general secretary of the Amalgamated Society of Railway Servants, his views on this momentous decision are of more interest than those of any other man connected with labor. Its effect, he says, can not yet be determined, because sufficient time has not elapsed. One thing, however, has clearly demonstrated itself, and that is, it will have an enormous political effect—a greater political effect than anything that has ever before happened in Great Britain. The decision will be felt by all workers, members of unions and those who are outside the unions, and will inevitably lead to political action. Mr. Bell said:

For thirty years past the unions believed that under the law which gave them a legal existence their funds could not be attached, and suddenly, without warning, this blow was struck at them—a blow which entirely upset all their previous calculations and forced them to take an entirely different view of their position in the eyes of the law. I am not discussing now the justice or injustice of this decision, but I am merely voicing what every unionist believes, and that is that his funds were safe from attack; that they were immune from assault, which possibly may have led to a certain looseness in union management, which was only natural, which perhaps resulted in a certain laxity in the framing of our rules, which, considering the practice that has prevailed for more than a quarter of a century, is not to be wondered at.

Where we feel that this society has been hit very hard is that here

was a decision, casting us in enormous damages, which came upon us without notice, without the least opportunity for us to put our house in order. Had we been given any admonition, and had we then consummately disregarded it, that would have been another matter, but we were given no opportunity to keep ourselves within our legal rights.

Let me make it quite clear to you why we consider a great injustice has been done us. Prior to the time of the rendering of this decision we were led to believe that we enjoyed certain privileges not possessed by the employer, in that a trade union could not be sued except by its members, or could not sue except in protection of its own rights and property. Now we find ourselves not on the same legal level as employers, but reduced below them, because they are permitted legally to do certain things which would be illegal for us to do.

For instance, an employer may refuse to employ or may discharge a man because he is a member of a union, and he incurs no legal liability for that action, whereas for a union man to refuse to work because he objects to the employment of a nonunion man subjects the unionist to the pains and penalties of conspiracy. Let me illustrate. Suppose a shop employing 100 men, 95 of whom are members of the union and 5 nonunionists. If the 95 men say to the employer he must discharge the other 5 or they will strike, and the employer refuses to discharge the 5 obnoxious men and the 95, after having given proper legal notice, without threat, violence, or intimidation of any sort, leave their employment, they may be held guilty of having conspired together and be punished accordingly. And if, on the other hand, the employer should say that he can not afford to have a strike, and therefore it is cheaper for him to discharge the 5 nonunionists, and accordingly does discharge them, the 5 men so discharged are within their legal rights when they bring an action for conspiracy against the 95 for having conspired together to prevent them from earning their livelihood and enjoying the right to work. Mind you, the action is not against the employer, but against the men. You see, therefore, that the employer incurs no liability or responsibility whatever. He has all the rights, and we, the union workmen, must suffer all the consequences. This we hold to be most decidedly unjust and inequitable, and as giving to the employer privileges superior to those which we possess. That, of course, is wrong.

We do not ask that the trade unions or trade-unionists as a class should be relieved of any responsibility that properly belongs to them, but we do ask that no greater or heavier responsibility should be imposed on trade-unionists than on employers as a class. All we ask is that a union should not be made responsible for the acts of individual members or the unauthorized action of subordinate officials, but should only be held to strict accountability for whatever follows as the result of the action of those officials who by the constitution and by-laws of the society are vested with its management. That is the crux of the Taff Vale decision. What was done in the case was done, as a history of the case will show, not by the action of the executive committee of our society, but in violation of its rules and owing to the advice given by a minor official. The danger is that unscrupulous employers—mind you, I do not mean to say all employers, or even a majority of them, but certain employers who are not mindful of their obligations—might goad their men into taking such action as would, under this latest judicial decision, subject the men to the charge of having entered into a

conspiracy, and thereby make the union responsible and liable in money damages.

The effect of this decision, in my opinion, will be twofold. It will undoubtedly have considerable political effect and make the great body of workmen trust less to others and more to their own class and for that reason try to secure a larger labor representation in Parliament. This feeling may result perhaps in the wisest men not being selected at first, but ultimately the right men will come to the top and the most level headed will be those who will lead the labor party.

The other effect of the decision, which has already been seen, is undoubtedly to make unionism more cautious, and it has steadied the firebrands. Before proceeding to take extreme action men will want to feel quite certain that they are acting strictly within their legal rights, because no one will want to run the risk of committing an illegal act which may be attended with such disastrous results. In our case it has led to certain amendments of our rules in accordance with the terms of the decision.

Mr. Isaac Mitchell, the secretary of the General Federation of Trade Unions, believes that the effect of the decision will be to make the unions develop more and more into political organizations and force them to exert their strength to elect their own members to Parliament. At the time when this investigation was being carried on England was much interested in an election for Parliament which had just taken place to fill a vacancy in the Castle Barnard division of York caused by the death of its former representative. The election resulted in the choice of Mr. Arthur Henderson, the labor candidate, who was opposed by both a Conservative and a Liberal, and it was admitted by politicians of all shades of opinion that it was distinctly a labor victory. Mr. Henderson is a member of the Iron Founders' Union. Members of Parliament, unlike members of Congress, are not paid, and therefore it is practically impossible for a man without means to sit in Parliament. To overcome this difficulty, the Iron Founders' Union pays Mr. Henderson from its funds the sum of £300 (\$1,460) a year.

Mr. Maddison, the treasurer of the General Federation of Trade Unions, is a member of the Iron Founders' Union, one of the oldest, if not the oldest, union in the country. Not until about a year ago, said Mr. Maddison, did his union pay any attention whatever to political questions; but now, as shown by the support given to the election of Mr. Henderson, it had become political, and this was due entirely, he asserted without hesitation, to the Taff Vale decision. Practically every union in the country had decided to do the same thing, and will try to elect as many members of Parliament as possible at the next general election, so as to form in Parliament an independent labor party, that party to be neither Conservative nor Liberal, but to vote with Conservatives or Liberals as it might be for the best interests of labor for the time being.

Mr. Mitchell also believes that the Taff Vale decision will result in a modification of the existing rules of many of the unions, and it will possibly compel them to proceed more cautiously, and even make them to err on the safe side, until they more clearly understand what their exact powers and privileges are. The decision will not intimidate the men or frighten them out of the union. On the contrary, it will help unionism by making it a political power and increase its membership, because men who before took no interest in the union and saw no occasion for joining it will now see that it is for their personal interest to strengthen organized labor and act with it as a political factor. Summed up, the opinion of Mr. Mitchell is that while the decision is unjust it is one of the best things that could have happened for unionism.

Mr. Gibb, the general manager of the North Eastern Railway Company, believes that the ruling of the House of Lords will make the unions more cautious and increase the power of the leaders to control their more hot-headed members. The unions, or some of them at least, Mr. Gibb thinks, have shown a tendency to revert to the militant type, due in some measure to the lack of tact of employers. The Taff Vale decision will not make the unions lose their power, but it will make them exercise greater care when a strike takes place and less inclined to do anything which may bring them within the prohibition of the law.

The labor unions object to Mr. Sidney Webb as a member of the royal commission to investigate trade disputes because they claim he has written in defense of the Taff Vale decision. The sum of his offending is found in the preface to the 1902 edition of "Industrial Democracy," where he uses this language:

At first sight there would seem little or nothing to complain about. The judgment professes to make no change in the lawfulness of trade unionism. No act is ostensibly made wrongful which was not wrongful before. And if a trade union, directly or by its agents, causes injury or damage to other persons by acts not warranted in law, it seems not inequitable that the trade union itself should be made liable for what it has done. The real grievance of the trade unions, and the serious danger to their continued usefulness and improvement, lies in the uncertainty of the English law and its liability to be used as a means of oppression. This danger is increased and the grievance aggravated by the dislike of trade unionism and strikes which nearly all judges and juries share with the rest of the upper and middle classes.

The public opinion of the propertied and professional classes is, in fact, even more hostile to trade unionism and strikes than it was a generation ago. In 1867-1875, when trade unionism was struggling for legal recognition, it seemed to many people only fair that, as the employers were left free to use their superiority in economic strength, the workmen should be put in a position to make a good fight of it against the employers. Accordingly, combinations and strikes were legalized, and some sort of peaceful picketing was expressly authorized

by statute. So long as no physical violence was used or openly threatened, the mild tumult and disorder of a strike, a certain amount of harmless obstruction of the thoroughfares, and the animated persuasion of blacklegs by the pickets were usually tolerated by the police and not seriously resented by the employers. It all belonged to the conception of a labor dispute as a stand-up fight between the parties, in which the State could do no more than keep the ring. Gradually this conception has given way in favor of the view that, quite apart from the merits of the case, the stoppage of work by an industrial dispute is a public nuisance, an injury to the commonweal, which ought to be prevented by the Government. Moreover, the conditions of the wage contract are no longer regarded only as a matter of private concern. The gradual extension of legislative regulation to all industries, and its successive application to different classes of workers and conditions of employment, decisively negatives the old assumption of the employer that he is entitled to hire his labor on such terms as he thinks fit. On the other hand, public opinion has become uneasy about the capacity of English manufacturers to hold their own against foreign competition, and therefore resents as a crime against the community any attempt to restrict output or obstruct machinery of which the trade unions may be accused. And thus we have a growing public opinion in favor of some authoritative tribunal of conciliation or arbitration, and an intense dislike of any organized interruption of industry by a lockout or strike, especially when this is promoted by a trade union which is believed—often on the strength of the wildest accusations in the newspapers—to be unfriendly to the utmost possible improvement of processes in its trade.

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**APPENDIX B.—MR. RICHARD BELL'S BILL TO LEGALIZE THE CONDUCT OF TRADE DISPUTES, INTRODUCED IN THE HOUSE OF COMMONS, MARCH 25, 1902.**

[2 Edw. 7.] **TRADE DISPUTES.**—A BILL to legalize the peaceful conduct of trade disputes.

*Be it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by authority of the same, as follows:*

1. Where an act is done in contemplation or furtherance of a trade dispute, the person doing the act shall not be liable to an action on the ground that by that act he interfered, or intended to interfere, either with the exercise by another person of his right to carry on his business, or with the establishment of contractual relations between other persons: *Provided*, That nothing in this section shall exempt such persons from liability on any other ground.

2. An agreement or combination by two or more persons to do or procure to be done any act in contemplation or furtherance of a trade dispute shall not be ground for an action, if such act when done by one person is not a ground for an action.

3. An action shall not be brought against a trade union, or against any person or persons representing the members of a trade union in his or their respective capacity, for any act done in contemplation or furtherance of a trade dispute.

4. Attending at or near the house or place where a person resides, or works, or carries on business, or happens to be, or the approach to such a house or place, in order merely to persuade such person peaceably to do or abstain from doing that which he has a legal right to do or abstain from doing, shall not be deemed a watching or besetting within the meaning of section 7 of the conspiracy and protection of property act, 1875.

5. This act may be cited as the Trade Dispute Act, 1902.

#### **APPENDIX C.—THE TRADE UNIONS ACTS OF 1871 AND 1876.**

AN ACT to amend the law relating to trades unions [29th June, 1871].

*Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:*

#### **PRELIMINARY.**

1. This act may be cited as "The Trade Union Act, 1871."

#### **CRIMINAL PROVISIONS.**

2. The purposes of any trade union shall not, by reason merely that they are in restraint of trade, be deemed to be unlawful, so as to render any member of such trade union liable to criminal prosecution for conspiracy or otherwise.

3. The purposes of any trade union shall not, by reason merely that they are in restraint of trade, be unlawful so as to render void or voidable any agreement or trust.

4. Nothing in this act shall enable any court to entertain any legal proceeding instituted with the object of directly enforcing or recovering damages for the breach of any of the following agreements, namely:

(1) Any agreement between members of a trade union as such concerning the conditions on which any members for the time being of such trade union shall or shall not sell their goods, transact business, employ, or be employed.

(2) Any agreement for the payment by any person of any subscription or penalty to a trade union.

(3) Any agreement for the application of the funds of a trade union (a) to provide benefits to members; or (b) to furnish contributions to any employer or workman not a member of such trade union, in consideration of such employer or workman acting in conformity with the rules or resolutions of such trade union; or (c) to discharge any fine imposed upon any person by sentence of a court of justice; or,

(4) Any agreement made between one trade union and another; or,

(5) Any bond to secure the performance of any of the above-mentioned agreements.

But nothing in this section shall be deemed to constitute any of the above-mentioned agreements unlawful.

5. The following acts, that is to say, (1) the friendly societies acts, 1855 and 1858, and the acts amending the same; (2) the industrial and provident societies act, 1867, and any act amending the same; and

(3) the companies acts, 1862 and 1867, shall not apply to any trade union, and the registration of any trade union under any of the said acts shall be void, and the deposit of the rules of any trade union made under the friendly societies acts, 1855 and 1858, and the acts amending the same, before the passing of this act, shall cease to be of any effect.

#### REGISTERED TRADE UNIONS.

6. Any seven or more members of a trade union may, by subscribing their names to the rules of the union and otherwise complying with the provisions of this act with respect to registry, register such trade union under this act, provided that if any one of the purposes of such trade union be unlawful such registration shall be void.

7. It shall be lawful for any trade union registered under this act to purchase or take upon lease in the names of the trustees for the time being of such union any land not exceeding one acre, and to sell, exchange, mortgage, or let the same, and no purchaser, assignee, mortgagee, or tenant shall be bound to inquire whether the trustees have authority for any sale, exchange, mortgage, or letting, and the receipt of the trustees shall be a discharge for the money arising therefrom; and for the purpose of this section every branch of a trade union shall be considered a distinct union.

8. All real and personal estate whatsoever belonging to any trade union registered under this act shall be vested in the trustees for the time being of a trade union appointed as provided by this act for the use and benefit of such trade union and the members thereof, and the real or personal estate of any branch of a trade union shall be vested in the trustees of such branch, and be under the control of such trustees, their respective executors or administrators, according to their respective claims and interests, and upon the death or removal of any such trustees the same shall vest in the succeeding trustees for the same estate and interest as the former trustees had therein, and subject to the same trusts, without any conveyance or assignment whatsoever, save and except in the case of stocks and securities in the public funds of Great Britain and Ireland, which shall be transferred into the names of such new trustees; and in all actions, or suits, or indictments, or summary proceedings before any court of summary jurisdiction, touching or concerning any such property, the same shall be stated to be the property of the person or persons for the time being holding the said office of trustee, in their proper names, as trustees of such trade union, without any further description.

9. The trustees of any trade union registered under this act, or any other officer of such trade union who may be authorized so to do by the rules thereof, are hereby empowered to bring or defend, or cause to be brought or defended, any action, suit, prosecution, or complaint in any court of law or equity touching or concerning the property, right, or claim to property of the trade union; and shall and may, in all cases concerning the real or personal property of such trade union, sue and be sued, plead and be impleaded, in any court of law or equity, in their proper names, without other description than the title of their office; and no such action, suit, prosecution, or complaint shall be discontinued or shall abate by the death or removal from office of such persons, or any of them, but the same shall and may be proceeded in by their successor or successors as if such death, resignation, or

removal had not taken place; and such successors shall pay or receive the like costs as if the action, suit, prosecution, or complaint had been commenced in their names for the benefit of or to be reimbursed from the funds of such trade union, and the summons to be issued to such trustee or other officer may be served by leaving the same at the registered office of the trade union.

10. A trustee of any trade union registered under this act shall not be liable to make good any deficiency which may arise or happen in the funds of such trade union, but shall be liable only for the moneys which shall be actually received by him on account of such trade union.

11. Every treasurer or other officer of a trade union registered under this act, at such times as by the rules of such trade union he should render such account as hereinafter mentioned, or upon being required so to do, shall render to the trustees of the trade union, or to the members of such trade union, at a meeting of the trade union, a just and true account of all moneys received and paid by him since he last rendered the like account, and of the balance then remaining in his hands, and of all bonds or securities of such trade union, which account the said trustees shall cause to be audited by some fit and proper person or persons by them to be appointed; and such treasurer, if thereunto required, upon the said account being audited, shall forthwith hand over to the said trustees the balance which on such audit appears to be due from him, and shall also, if required, hand over to such trustees all securities and effects, books, papers, and property of the said trade union in his hands or custody; and if he fail to do so the trustees of the said trade union may sue such treasurer in any competent court for the balance appearing to have been due from him upon the account last rendered by him, and for all the moneys since received by him on account of the said trade union, and for the securities and effects, books, papers, and property in his hands or custody, leaving him to set off in such action the sums, if any, which he may have since paid on account of the said trade union; and in such action the said trustees shall be entitled to recover their full costs of suit, to be taxed as between attorney and client.

12. If any officer, member, or other person being or representing himself to be a member of a trade union registered under this act, or the nominee, executor, administrator, or assignee of a member thereof, or any person whatsoever, by false representation or imposition obtain possession of any moneys, securities, books, papers, or other effects of such trade union, or, having the same in his possession, willfully withhold or fraudulently misapply the same, or willfully apply any part of the same to purposes other than those expressed or directed in the rules of such trade union, or any part thereof, the court of summary jurisdiction for the place in which the registered office of the trade union is situate upon a complaint made by any person on behalf of such trade union, or by the registrar, or in Scotland at the instance of the procurator fiscal of the court to which such complaint is competently made, or of the trade union, with his concurrence, may, by summary order, order such officer, member, or other person to deliver up all such moneys, securities, books, papers, or other effects to the trade union, or to repay the amount of money applied improperly, and to pay, if the court think fit, a further sum of money not exceeding twenty pounds [\$97.33], together with costs not exceeding twenty shil-

lings [\$4.87]; and in default of such delivery of effects, or repayment of such amount of money, or payment of such penalty and costs aforesaid, the said court may order the said person so convicted to be imprisoned, with or without hard labor, for any time not exceeding three months: *Provided*, That nothing herein contained shall prevent the said trade union, or in Scotland Her Majesty's advocate, from proceeding by indictment against the said party; *Provided, also*, That no person shall be proceeded against by indictment if a conviction shall have been previously obtained for the same offense under the provisions of this act.

#### REGISTRY OF TRADE UNION.

13. With respect to the registry under this act of a trade union and of the rules thereof, the following provisions shall have effect:

(1) An application to register the trade union and printed copies of the rules, together with a list of the titles and names of the officers, shall be sent to the registrar under this act.

(2) The registrar, upon being satisfied that the trade union has complied with the regulations respecting registry in force under this act, shall register such trade union and such rules.

(3) No trade union shall be registered under a name identical with that by which any other existing trade union has been registered, or so nearly resembling such name as to be likely to deceive the members or the public.

(4) Where a trade union applying to be registered has been in operation for more than a year before the date of such application, there shall be delivered to the registrar before the registry thereof a general statement of the receipts, funds, effects, and expenditure of such trade union in the same form, and showing the same particulars, as if it were the annual general statement required as hereinafter mentioned to be transmitted annually to the registrar.

(5) The registrar upon registering such trade union shall issue a certificate of registry, which certificate, unless proved to have been withdrawn or canceled, shall be conclusive evidence that the regulations of this act with respect to registry have been complied with.

(6) One of Her Majesty's principal secretaries of state may, from time to time, make regulations respecting registry under this act, and respecting the seal (if any) to be used for the purpose of such registry, and the forms to be used for such registry, and the inspection of documents kept by the registrar under this act, and respecting the fees, if any, to be paid on registry, not exceeding the fees specified in the second schedule to this act, and generally for carrying this act into effect.

14. With respect to the rules of a trade union registered under this act, the following provisions shall have effect:

(1) The rules of every such trade union shall contain provisions in respect of the several matters mentioned in the first schedule to this act.

(2) A copy of the rules shall be delivered by the trade union to every person on demand on payment of a sum not exceeding one shilling [24 cents].

15. Every trade union registered under this act shall have a registered office to which all communications and notices may be addressed; if any trade union under this act is in operation for seven days with-

out having such an office, such trade union and every officer thereof shall each incur a penalty not exceeding five pounds [§24.33] for every day during which it is so in operation.

Notice of the situation of such registered office, and of any change therein, shall be given to the registrar and recorded by him; until such notice is given the trade union shall not be deemed to have complied with the provisions of this act.

16. A general statement of the receipts, funds, effects, and expenditure of every trade union registered under this act shall be transmitted to the registrar before the first day of June in every year, and shall show fully the assets and liabilities at the date, and the receipts and expenditure during the year preceding the date to which it is made out, of the trade union; and shall show separately the expenditure in respect of the several objects of the trade union, and shall be prepared and made out up to such date, in such form, and shall comprise such particulars, as the registrar may from time to time require; and every member of, and depositor in, any such trade union shall be entitled to receive, on application to the treasurer or secretary of that trade union, a copy of such general statement, without making any payment for the same.

Together with such general statement there shall be sent to the registrar a copy of all alterations of rules and new rules and changes of officers made by the trade union during the year preceding the date up to which the general statement is made out, and a copy of the rules of the trade union as they exist at that date.

Every trade union which fails to comply with or acts in contravention of this section, and also every officer of the trade union so failing shall each be liable to a penalty not exceeding five pounds [§24.33] for each offense.

Every person who willfully makes or orders to be made any false entry in or any omission from any such general statement, or in or from the return of such copies of rules or alterations of rules, shall be liable to a penalty not exceeding fifty pounds [§243.33] for each offense.

17. The registrars of the friendly societies in England, Scotland, and Ireland shall be the registrars under this act.

The registrar shall lay before Parliament annual reports with respect to the matters transacted by such registrars in pursuance of this act.

18. If any person with intent to mislead or defraud gives to any member of a trade union registered under this act, or to any person intending or applying to become a member of such trade union, a copy of any rules or of any alterations or amendments of the same other than those respectively which exist for the time being on the pretense that the same are the existing rules of such trade union, or that there are no other rules of such trade union, or if any person with the intent aforesaid gives a copy of any rules to any person on the pretense that such rules are the rules of a trade union registered under this act which is not so registered, every person so offending shall be deemed guilty of a misdemeanor.

#### LEGAL PROCEEDINGS.

19. In England and Ireland all offenses and penalties under this act may be prosecuted and recovered in manner directed by the summary jurisdiction acts:

In England and Ireland summary orders under this act may be made and enforced on complaint before a court of summary jurisdiction in manner provided by the summary jurisdiction acts.

Provided as follows:

(1) The "court of summary jurisdiction," when hearing and determining an information or complaint, shall be constituted in some one of the following manners; that is to say,

(a) In England (1) In any place within the jurisdiction of a metropolitan police magistrate or other stipendiary magistrate, of such magistrate or his substitute. (2) In the city of London, of the Lord Mayor or any alderman of the said city. (3) In any other place, of two or more justices of the peace sitting in petty sessions.

(b) In Ireland. (1) In the police district of Dublin metropolis, of a divisional justice. (2) In any other place, of a resident magistrate.

In Scotland all offenses and penalties under this act shall be prosecuted and recovered by the procurator fiscal of the county in the sheriff court under the provisions of the summary procedure act, 1864.

In Scotland summary orders under this act may be made and enforced on complaint in the sheriff court.

All the jurisdictions, powers, and authorities necessary for giving effect to these provisions relating to Scotland are hereby conferred on the sheriffs and their substitutes.

Provided that in England, Scotland, and Ireland—

(2) The description of any offense under this act in the words of such act shall be sufficient in law.

(3) Any exception, exemption, proviso, excuse, or qualification, whether it does or not accompany the description of the offense in this act, may be proved by the defendant, but need not be specified or negatived in the information, and if so specified or negatived, no proof in relation to the matters so specified or negatived shall be required on the part of the informant or prosecutor.

20. In England or Ireland if any party feels aggrieved by any order or conviction made by a court of summary jurisdiction on determining any complaint or information under this act, the party so aggrieved may appeal therefrom, subject to the conditions and regulations following:

(1) The appeal shall be made to some court of general or quarter sessions for the county or place in which the cause of appeal has arisen, holden not less than fifteen days and not more than four months after the decision of the court from which the appeal is made:

(2) The appellant shall, within seven days after the cause of appeal has arisen, give notice to the other party and to the court of summary jurisdiction of his intention to appeal, and of the ground thereof:

(3) The appellant shall immediately after such notice enter into a recognizance before a justice of the peace in the sum of ten pounds [\$48.67], with two sufficient sureties in the sum of ten pounds [\$48.67], conditioned personally to try such appeal, and to abide the judgment of the court thereon, and to pay such costs as may be awarded by the court:

(4) Where the appellant is in custody, the justice may, if he think fit, on the appellant entering into such recognizance as aforesaid, release him from custody:

(5) The court of appeal may adjourn the appeal, and upon the hearing thereof they may confirm, reverse, or modify the decision of the court of summary jurisdiction, or remit the matter to the court of

summary jurisdiction with the opinion of the court of appeal thereon, or make such other order in the matter as the court thinks just, and if the matter be remitted to the court of summary jurisdiction, the said last-mentioned court shall thereupon rehear and decide the information or complaint in accordance with the opinion of the said court of appeal. The court of appeal may also make such order as to costs to be paid by either party as the court thinks just.

21. In Scotland it shall be competent to any person to appeal against any order or conviction under this act to the next circuit court of justiciary or, where there are no circuit courts, to the high court of justiciary at Edinburgh, in the manner prescribed by and under the rules, limitations, conditions, and restrictions contained in the act passed in the twentieth year of the reign of His Majesty King George the Second, chapter forty-three, in regard to appeals to circuit courts in matters criminal, as the same may be altered or amended by any acts of Parliament for the time being in force.

All penalties imposed under the provisions of this act in Scotland may be enforced in default of payment by imprisonment for a term to be specified in the summons or complaint, but not exceeding three calendar months.

All penalties imposed and recovered under the provisions of this act in Scotland shall be paid to the sheriff clerk, and shall be accounted for and paid by him to the Queen's and Lord Treasurer's Remembrancer on behalf of the Crown.

22. A person who is a master, or father, son, or brother of a master, in the particular manufacture, trade, or business, in or in connection with which any offense under this act is charged to have been committed, shall not act as or as a member of a court of summary jurisdiction or appeal for the purposes of this act.

#### DEFINITIONS.

23. In this act the term summary jurisdiction acts means as follows:

As to England, the act of the session of the eleventh and twelfth years of the reign of Her present Majesty, chapter forty-three, entitled "An act to facilitate the performance of the duties of justices of the peace out of sessions within England and Wales with respect to summary convictions and orders," and any acts amending the same:

As to Ireland, within the police district of Dublin metropolis, the acts regulating the powers and duties of justices of the peace for such district, or of the police of such district, and elsewhere in Ireland, "the petty sessions (Ireland) act, 1851," and any act amending the same.

In Scotland the term "misdemeanor" means a crime and offense.

The term "trade union" means such combination, whether temporary or permanent, for regulating the relations between workmen and masters, or between workmen and workmen, or between masters and masters, or for imposing restrictive conditions on the conduct of any trade or business, as would, if this act had not passed, have been deemed to have been an unlawful combination by reason of some one or more of its purposes being in restraint of trade: *Provided*, That this act shall not affect—

- (1) Any agreement between partners as to their own business;
- (2) Any agreement between an employer and those employed by him as to such employment;

(3) Any agreement in consideration of the sale of the good-will of a business or of instruction in any profession, trade, or handicraft.

#### REPEAL.

24. The trades unions funds protection act, 1869, is hereby repealed. Provided that this repeal shall not affect—

(1) Anything duly done or suffered under the said act:

(2) Any right or privilege acquired or any liability incurred under the said act:

(3) Any penalty, forfeiture, or other punishment incurred in respect of any offense against the said act:

(4) The institution of any investigation or legal proceeding or any other remedy for ascertaining, enforcing, recovering, or imposing any such liability, penalty, forfeiture, or punishment as aforesaid.

#### FIRST SCHEDULE.

*Of matters to be provided for by the rules of trade unions registered under this act.*

1. The name of the trade union and place of meeting for the business of the trade union.

2. The whole of the objects for which the trade union is to be established, the purposes for which the funds thereof shall be applicable, and the conditions under which any member may become entitled to any benefit assured thereby, and the fines and forfeitures to be imposed on any member of such trade union.

3. The manner of making, altering, amending, and rescinding rules.

4. A provision for the appointment and removal of a general committee of management, of a trustee or trustees, treasurer, and other officers.

5. A provision for the investment of the funds, and for an annual or periodical audit of accounts.

6. The inspection of the books and names of members of the trade union by every person having an interest in the funds of the trade union.

#### SECOND SCHEDULE.

*Maximum fees.*

	£	s.	d.	
For registering trade union.....	1	0	0	[\$4.87]
For registering alterations in rules.....	0	10	0	[\$2.43]
For inspection of documents.....	0	2	6	[\$0.61]

#### AN ACT to amend the trade union act, 1871 [30th June, 1876].

Whereas it is expedient to amend the trade union act, 1871:

*Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:*

1. This act and the trade union act, 1871, hereinafter termed the principal act, shall be construed as one act, and may be cited together as the "Trade Union Acts, 1871 and 1876," and this act may be cited separately as the "Trade Union Act Amendment Act, 1876."

2. Notwithstanding anything in section five of the principal act contained, a trade union, whether registered or unregistered, which insures or pays money on the death of a child under ten years of age shall be deemed to be within the provisions of section twenty-eight of the friendly societies act, 1875.

3. Whereas by section eight of the principal act it is enacted that "the real or personal estate of any branch of a trade union shall be vested in the trustees of such branch:" The said section shall be read and construed as if immediately after the hereinbefore recited words there were inserted the words "or of the trustees of the trade union, if the rules of the trade union so provide."

4. When any person, being or having been a trustee of a trade union or of any branch of a trade union, and whether appointed before or after the legal establishment thereof, in whose name any stock belonging to such union or branch transferable at the Bank of England or Bank of Ireland is standing, either jointly with another or others, or solely, is absent from Great Britain or Ireland respectively, or becomes bankrupt, or files any petition, or executes any deed for liquidation of his affairs by assignment or arrangement, or for composition with his creditors, or becomes a lunatic, or is dead, or has been removed from his office of trustee, or if it be unknown whether such person is living or dead, the registrar, on application in writing from the secretary and three members of the union or branch, and on proof satisfactory to him, may direct the transfer of the stock into the names of any other persons as trustees for the union or branch; and such transfer shall be made by the surviving or continuing trustees, and if there be no such trustee, or if such trustees refuse or be unable to make such transfer, and the registrar so direct, then by the accountant-general or deputy or assistant accountant-general of the Bank of England or Bank of Ireland, as the case may be; and the governors and companies of the Bank of England and Bank of Ireland respectively are hereby indemnified for anything done by them or any of their officers in pursuance of this provision against any claim or demand of any person injuriously affected thereby.

5. The jurisdiction conferred in the case of certain offenses by section twelve of the principal act upon the court of summary jurisdiction for the place in which the registered office of a trade union is situate may be exercised either by that court or by the court of summary jurisdiction for the place where the offense has been committed.

6. Trades unions carrying or intending to carry on business in more than one country shall be registered in the country in which their registered office is situate; but copies of the rules of such unions, and of all amendments of the same, shall, when registered, be sent to the registrar of each of the other countries, to be recorded by him, and until such rules be so recorded the union shall not be entitled to any of the privileges of this act or the principal act, in the country in which such rules have not been recorded, and until such amendments of rules be recorded the same shall not take effect in such country.

In this section "country" means England, Scotland, or Ireland.

7. Whereas by the "life assurance companies act, 1870," it is provided that the said act shall not apply to societies registered under the acts relating to friendly societies: The said act (or the amending acts) shall not apply nor be deemed to have applied to trade unions registered or to be registered under the principal act.

8. No certificate of registration of a trade union shall be withdrawn or cancelled otherwise than by the chief registrar of friendly societies, or in the case of trade unions registered and doing business exclusively in Scotland or Ireland, by the assistant registrar for Scotland or Ireland, and in the following cases:

(1) At the request of the trade union to be evidenced in such manner as such chief or assistant registrar shall from time to time direct.

(2) On proof to his satisfaction that a certificate of registration has been obtained by fraud or mistake, or that the registration of the trade union has become void under section six of the trade union act, 1871, or that such trade union has willfully and after notice from a registrar whom it may concern, violated any of the provisions of the trade union acts, or has ceased to exist.

Not less than two months previous notice in writing, specifying briefly the ground of any proposal, withdrawal, or cancelling of certificate (unless where the same is shown to have become void as aforesaid, in which case it shall be the duty of the chief or assistant registrar to cancel the same forthwith) shall be given by the chief or assistant registrar to a trade union before the certificate of registration of the same can be withdrawn or cancelled (except at its request).

A trade union whose certificate of registration has been withdrawn or cancelled shall, from the time of such withdrawal or cancelling, absolutely cease to enjoy as such the privileges of a registered trade union, but without prejudice to any liability actually incurred by such trade union, which may be enforced against the same as if such withdrawal or cancelling had not taken place.

9. A person under the age of twenty-one, but above the age of sixteen, may be a member of a trade union, unless provision be made in the rules thereof to the contrary, and may, subject to the rules of the trade union, enjoy all the rights of a member except as herein provided, and execute all instruments and give all acquittances necessary to be executed or given under the rules, but shall not be a member of the committee of management, trustee, or treasurer of the trade union.

10. A member of a trade union not being under the age of sixteen years may, by writing under his hand, delivered at, or sent to, the registered office of the trade union, nominate any person not being an officer or servant of the trade union (unless such officer or servant is the husband, wife, father, mother, child, brother, sister, nephew, or niece of the nominator), to whom any moneys payable on the death of such member, not exceeding fifty pounds [\$243.33] shall be paid at his decease, and may from time to time revoke or vary such nomination by writing under his hand similarly delivered or sent; and on receiving satisfactory proof of the death of a nominator, the trade union shall pay to the nominee the amount due to the deceased member not exceeding the sum aforesaid.

11. A trade union may, with the approval in writing of the chief registrar of friendly societies, or in the case of trade unions registered and doing business exclusively in Scotland or Ireland, of the assistant registrar for Scotland or Ireland, respectively, change its name by the consent of not less than two-thirds of the total number of members.

No change of name shall affect any right or obligation of the trade union or of any member thereof, and any pending legal proceedings may be continued by or against the trustees of the trade union or any other officer who may sue or be sued on behalf of such trade union, notwithstanding its new name.

12. Any two or more trade unions may, by the consent of not less than two-thirds of the members of each or every such trade union, become amalgamated together as one trade union, with or without any dissolution or division of the funds of such trade unions, or either or

any of them; but no amalgamation shall prejudice any right of a creditor of either or any union party thereto.

13. Notice in writing of every change of name or amalgamation signed, in the case of a change of name, by seven members, and countersigned by the secretary of the trade union changing its name, and accompanied by a statutory declaration by such secretary that the provisions of this act in respect of changes of name have been complied with, and in the case of an amalgamation signed by seven members and countersigned by the secretary of each or every union party thereto, and accompanied by a statutory declaration by each or every such secretary that the provisions of this act in respect of amalgamations have been complied with, shall be sent to the central office established by the friendly societies act, 1875, and registered there, and until such change of name or amalgamation is so registered the same shall not take effect.

14. The rules of every trade union shall provide for the manner of dissolving the same, and notice of every dissolution of a trade union under the hand of the secretary and seven members of the same shall be sent within fourteen days thereafter to the central office hereinbefore mentioned, or, in the case of trade unions registered and doing business exclusively in Scotland or Ireland, to the assistant registrar for Scotland or Ireland, respectively, and shall be registered by them: *Provided*, That the rules of any trade union registered before the passing of this act shall not be invalidated by the absence of a provision for dissolution.

15. A trade union which fails to give any notice or send any document which it is required by this act to give or send, and every officer or other person bound by the rules thereof to give or send the same, or if there be no such officer, then every member of the committee of management of the union, unless proved to have been ignorant of, or to have attempted to prevent the omission to give or send the same, is liable to a penalty of not less than one pound [\$4.87] and not more than five pounds [\$24.33] recoverable at the suit of the chief or any assistant registrar of friendly societies, or of any person aggrieved, and to an additional penalty of the like amount for each week during which the omission continues.

16. So much of section twenty-three of the principal act as defines the term trade union, except the proviso qualifying such definition, is hereby repealed, and in lieu thereof be it enacted as follows:

The term "trade union" means any combination, whether temporary or permanent, for regulating the relations between workmen and masters, or between workmen and workmen, or between masters and masters, or for imposing restrictive conditions on the conduct of any trade or business, whether such combination would or would not, if the principal act had not been passed, have been deemed to have been an unlawful combination by reason of some one or more of its purposes being in restraint of trade.

## LAND VALUES AND OWNERSHIP IN PHILADELPHIA.

BY A. F. DAVIES.

For a study in growth of value and change in distribution of land within a territory illustrating urban development, Philadelphia offers a better field than any other American city. This is, first, because of its history and physiography. Its origins are not obscured. The city was plotted and established according to a settled plan. Subdivision of the area and change of ownership have been subjects of record from the first. As the space limits set by the founder expanded under the pressure of growth they met no obstacles in the conformation of the adjacent districts. Like Berlin, Moscow, or St. Louis, Philadelphia is a city of riparian situation, capable of facile expansion in every direction. Consequently its use of land under the pressure of increasing population is free from such physical hindrances as have complicated or may complicate expansion in cities differently situated—Boston, New York, or Chicago, for example, or St. Petersburg, with the water blocking growth in one direction, or Duluth, to instance the additional difficulties of a hillside and terrace location, or Paris, set on an island and restrained through generations by exigencies of military defense from free growth beyond its limits—while the action of these same hindrances in condensing the population and driving values upward has been lacking, giving the problem in Philadelphia a comparatively simple form. For some two hundred and twenty-five years the process of growth has gone on until 29 square miles of unimproved land has become a modern city. New territory has been added to the plot of the original city, but geographically and logically the additions have been no less “city” than the city itself, and the changes have been formal rather than real.

On October 25, 1701, William Penn granted Philadelphia as a city its first charter. Twenty years earlier the first surveys of the original city had been begun, and for seventeen years the settlement had existed as a borough. This first city charter remained in force up to 1789, when a new charter was granted, which, with supplements, was operative until 1854, in which year it was modified and extended by the act of consolidation.

The area of the original town and borough, as of the city, was fixed, extending from the Delaware to the Schuylkill, 2 miles, and in breadth,

north and south, 1 mile. There was thus an area of 2 square miles, or 1,280 acres, offering, to the mind of the proprietary, abundant opportunity for expansion. The growth of the first year, to a village of "about four score houses and cottages," gave great satisfaction to those interested in the province. In Hazzard's Register a table of taxables for the city and the county of Philadelphia, compiled in 1828 from the records of the county commissioners, indicates approximately the rate of growth within the city and the county of Philadelphia from 1720 to 1828.

TAXABLE PROPERTY IN THE CITY AND THE COUNTY OF PHILADELPHIA, 1720 TO 1828.

Years.	City.	County.	Total.
1720			\$1,195
1740			4,850
1751			7,100
1760	\$2,634	\$5,687	8,321
1771	3,751	6,704	10,455
1779	3,681	7,066	10,747
1786	4,876	4,516	9,392
1793	7,088	6,885	13,973
1800	6,625	7,919	14,544
1807	7,813	9,055	16,868
1814	9,383	10,486	19,869
1821	12,696	15,196	27,892
1828	16,556	20,750	37,306

Leaving out of account the irregularities supposedly due to the Revolutionary war and to the prevalence of fevers in the city between 1793 and 1800 this table shows a century of fairly uniform growth. In conjunction with the population table constructed from Doctor Mease's estimates and the United States Census given in the table immediately following, covering the years 1753 to 1850, it indicates the characteristic development of Philadelphia, namely, a steady increase of population, manufactures, and other business on the stable basis of a body of citizens very largely above the tax-paying line of responsibility.

Seventy-eight years after the first borough organization of Philadelphia, the legislature began the incorporation of districts adjoining the city for the government of their local affairs. This course was continued for ninety-one years, nine corporate districts being added in that time, as follows:

Southwark, March 26, 1762; Northern Liberties, March 9, 1771; Moyamensing, March 24, 1812; Spring Garden, March 22, 1813; Kensington, March 6, 1820; Penn, February 28, 1844; Richmond, February 27, 1847; West Philadelphia, April 3, 1851; Belmont, April 14, 1853.<sup>(a)</sup>

In 1853 the city had been far outstripped in area, population, taxables, and real estate values by the surrounding districts and the rate of

<sup>a</sup> Price, History of the Consolidation of the City of Philadelphia.

advance was overwhelmingly in their favor, as illustrated by the following tables:

POPULATION OF THE CITY AND OF THE CITY AND COUNTY OF PHILADELPHIA AT VARIOUS YEARS, 1753 TO 1850.

[Figures in this table are from Price's History of the Consolidation of the City of Philadelphia.]

Year.	City.	City and county.	Year.	City.	City and county.
1753 . . . . .	<sup>a</sup> 14,563		1810 . . . . .	53,722	111,210
1760 . . . . .	<sup>a</sup> 18,756		1820 . . . . .	63,802	135,637
1769 . . . . .	<sup>a</sup> 28,043		1830 . . . . .	80,462	188,797
1790 . . . . .	<sup>b</sup> 28,522	54,391	1840 . . . . .	93,665	258,037
1800 . . . . .	41,220	81,009	1850 . . . . .	121,376	408,762

<sup>a</sup> According to Dr. Mease's statement.

<sup>b</sup> United States Census.

TAXABLE INHABITANTS OF PHILADELPHIA AND ADJOINING DISTRICTS IN 1853.

[Figures in this table are from Price's History of the Consolidation of the City of Philadelphia.]

City and districts.	Number.	City and districts.	Number.
Philadelphia . . . . .	22,024	Spring Garden . . . . .	12,817
Southwark . . . . .	8,193	Kensington . . . . .	11,563
Moyamensing . . . . .	6,153	Penn . . . . .	3,658
Passayunk . . . . .	335	Boroughs and townships north of city . . . . .	11,332
Northern Liberties . . . . .	9,130		

VALUATION OF REAL ESTATE IN PHILADELPHIA AND ADJOINING DISTRICTS, 1844 AND 1853.

[Figures in this table are from Price's History of the Consolidation of the City of Philadelphia.]

City and districts.	1844.	1853.	Per cent of increase.
Philadelphia . . . . .	\$57,708,858	\$66,497,465	15.2
Southwark . . . . .	5,367,581	6,036,047	12.5
Moyamensing . . . . .	2,323,210	3,838,791	65.2
Northern Liberties . . . . .	9,056,948	9,637,466	6.4
Spring Garden . . . . .	9,149,604	15,128,817	65.3
Kensington . . . . .	3,793,508	7,148,502	88.4
Other districts, boroughs, and townships . . . . .	12,893,513	19,931,570	54.6
Total . . . . .	100,293,222	128,218,658	27.8

The multiplication of corporate civic bodies in what was practically a continuous population was harmful and wasteful.<sup>(a)</sup>

In Philadelphia County, the smallest county in the State, there were some forty corporate or quasi-corporate bodies making executive laws and managing public affairs in twenty-nine independent territorial divisions. "With no paramount or pervasive power of legislation or control, no laws, uniformly operative over the whole, could be adopted or executed beyond the respective bounds of each (local government). Rioters suppressed within one jurisdiction take refuge and find impunity within another. Measures of public improvement by the city or respective districts are arrested at each extreme of their narrow limits;

<sup>a</sup> It was estimated that the improved method of collecting taxes in the consolidated city saved about \$100,000 per annum to the taxpayers.

and works erected competent to supply the wants of all with but slight additional expense are curtailed of their usefulness, and other works at large expense uselessly erected by other corporations. The varying laws of so many localities in close contiguity are so numerous and so little known that the citizens in their hourly movements are subjected to legal obligations and powers of which they have no knowledge. These divisions and unseen lines and complications of powers are potential alike to paralyze or arrest every effort to advance the common welfare and to suppress general evils."<sup>(a)</sup>

Philadelphia County under these conditions was an earthly paradise for the citizens seeking a municipal job. The heavy reductions anticipated in the number of municipal employees had much to do with the delay of consolidation and the consequent loss of standing to the city. Nearly ten years of agitation were needed to secure the legislation which ended this condition and brought into one commonwealth this group of jealous and reciprocally injurious neighbors.

The act of consolidation, which became a law February 2, 1854, made the area of the city and county coterminous, brought it under a unified municipal control, and thus made possible a future of growth and power. From the passing of the act of consolidation to 1900 the city had nearly half a century during which her area was unchanged. Her record of taxation was continuous, and there occurred, with the exception of the celebration in 1876 of the Centennial of the Declaration of Independence, no circumstances peculiar to the city to disturb normal growth in population, industries, and values. This period, 1855 to 1900, has been selected for this study of various aspects of the conditions and tendencies of real estate.

The data embodied in the tables were found in the assessors' books, which list all property, taxable and exempt, giving valuation for taxation, areas, and names of owners. Properties exempt from taxation were not included in the tables. Decennial periods were taken as the points for examination, beginning with 1855, the first year of taxation under consolidation. The figures given for the population have been calculated by the usual method for intercensal years. The books of 1855 are damaged slightly, and in 1855 and 1865 many areas are unrecorded. In some cases, no very great number, the owners are reported "unknown." Cases of doubtful identity, such as "John Smith," etc., have been lumped with the unknown owners.

By a legislative act of March 14, 1865, the board of revision of taxes was created. That act, as amended in 1867, provides that the court of common pleas shall appoint three persons who shall compose the board of revision of taxes. They have the power to equalize assessments by raising or lowering valuations, either in individual cases or by wards;

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<sup>a</sup> Price, History of Consolidation of the City of Philadelphia.

to rectify all errors; make valuations when they have been omitted; require the attendance of assessors or other citizens for examination, and hear all the appeals and applications of the taxpayers, subject to an appeal to the court of common pleas, whose decision shall be final. The assessors are appointed by the board of revision of taxes for the term of five years. Their duty is to ascertain the dimensions and quantity of each lot or piece of ground assessed and return the same with their assessment. Each assessor is also required to ascertain the proper orthography of the name of each taxable person within the district assigned to him; the exact number of the residence of such person; his occupation, profession, or business, and to state plainly all such particulars in the assessment list. A method of obtaining this information is provided by an act of 1865 which established a registry bureau, in which the description of all real estate and the names of the owners thereof shall be registered and plotted in plan books, so that accurate descriptions of the same and the names of the present owners may be obtained.

Previous to 1865 the assessors were elected by the people, the records were scanty and unreliable, and no definite or consistent policy as to basis of valuation was followed. The establishment of a board of revision of taxes, which should be appointed by the court of common pleas, and which should in turn appoint the assessors and control their work, was supposed to assure honest and consistent work in taxation, a thorough and centralized system of records, and freedom from the domination of machine political interests. In general it is true that the board of revision of taxes has put the taxes of the city on a far more satisfactory basis than had been secured before its organization.

In 1865 the board appointed the assessors, but this did not affect the work of that year. Up to 1885 the work of the assessors was somewhat irregular, and the basis of valuation varied. Sometimes two-thirds of the value was taken, sometimes the full value. Inexact estimates and no little fraud marked the years preceding 1885. Since and including 1885 the board has had a fairly fixed policy. The law requires property to be listed at such a valuation as it would bring at public sale after due notice. The purpose of the law is clearly to tax real estate at its true value, the principle of taxation which obtains in Massachusetts and toward which the older and more developed States of the eastern seaboard are evidently tending. In order to avoid the danger of too high a level of valuation and consequent ground of complaint on the part of owners, the board attempts to list the taxable value of property at 80 per cent of an estimated fair to outside price. These estimates are roughly made, and experience shows that the tendency of valuations to move downward is well nigh universal, but it is probable that, with the exception of very valuable properties,

errors balance in the mass, and in the main from 60 to 80 per cent of the true value of real estate is taxed.<sup>(a)</sup>

This is regarded by the board of revision of taxes as some increase over the level of valuation from 1875 to 1885 and a great increase over that of the fifties and sixties, while the reliability and uniformity of the records are of far higher grade after than before 1885. Although the percentage of the true value subjected to taxation seems to fall considerably below the intent of the law, it is, relatively to the practices of other cities, at a high level. Great variations in systems of levy and keeping of accounts make accurate comparison of different places impossible, but certain general statements may be made which bring into clearer view the ranking of the city under particular consideration. In New York, for example, taxation has been based upon 60 per cent of the nominal value of real estate. The experience of many years shows that this is about the maximum that can be borrowed upon real estate security, and hence 60 per cent may be regarded as theoretically the actual value in all contingencies. In Boston taxation is based on actual value. In Chicago some astonishing history has been made in the record of valuation. Under a law calling for assessments based on true value, every form of tax corruption grew up. The wealthy tax dodger and tax fixer set the pace for the taxables of moderate means. Every pressure was used on the assessors, who were elected officers, in the interest of undervaluation. The average valuation for the assessment of Chicago property dropped to the level of 10 per cent of its real value.

In 1895 a report of the Illinois Bureau of Labor Statistics, dealing with the subject of taxation, gives a list of properties in which the assessors' valuation ranges from  $\frac{1}{4}$  to 12 per cent of true valuation as based upon actual sales and the opinions of real estate dealers. In Cook County (practically Chicago) the assessment valuation of real estate in 1893 dropped more than \$18,000,000 below the valuation in 1873. A reform was wrought, after long agitation, by changes in the law dealing with the methods of assessment. The assessing powers were taken from the townships and given to a small body of county assessors. A fixed ratio was established between actual value and assessment valuation, making the latter one-fifth of the former, which was defined as the price to be expected at voluntary sale, and the publicity of tax lists was provided for. This last point guards against inequalities of valuation, which is a matter of far greater significance

<sup>a</sup> In the assessors' valuations of the current year, 1903, the attempt is being made to list the full values of property with the purpose of lowering the tax rate from \$1.85 to \$1.50. The lists can not be regarded as reliable or consistent in any high degree, though they undoubtedly bring a large number of properties of high value far nearer their proper relative position in the scale of taxable values.

than the percentage of true value subjected to taxation. In Chicago the general drop to a level of valuation that made the support of the city government increasingly difficult was due to the demand from small owners that their modest holdings should be listed at a percentage of value no higher than that enjoyed by the larger owners. If a million-dollar hotel could secure a valuation of only \$6,000 above its bonded debt, or a manufacturing company with a capital stock of \$54,000,000 could escape taxation except on an assessment valuation of \$1,500,000, the numerous holders of values ranging from \$1,000 to \$50,000 argued, *pari passu*, that their burdens should be light. Practical means of convincing the assessors being found, there followed easily and promptly the disastrous fiscal results already described.

In the whole problem of real estate as the basis of governmental revenue, the element most deserving study and demanding most careful scientific treatment is this element of valuation. Let the percentage of value taxable be as low or as high as the needs of time and place and the demands for public improvements seem to justify. But there must be developed in the interest of social well-being, some system of valuation which shall assure uniformity; so that every person and corporation shall assume a burden of taxation in proportion to the value of his, hers, or its property, and shall reduce favoritism and bribery to the lowest possible terms. The law, says the old jurist, should make it as easy as possible to do right and as difficult as possible to do wrong. The tax law should be framed on this principle. Unless practical measures of this quality are discoverable the taxing systems of our States and cities, designed for the nourishment and upbuilding of the bony structure of public finance, and acting, after a poor fashion, to this end, must be classed as diseased organs of the social body, which, because of their moribund condition, slowly poison all the surrounding tissue. A body of citizens among whom a man who voluntarily makes honest tax returns is regarded as a fool can not be classed as the highest embodiment of American ideals, and it is hardly to be denied that this point has been reached in more than one municipality.

The system of valuation in St. Paul, Minn., shows the best example available in American cities of an effort to reach the root of the valuation trouble. For this system the claim is made that it comes nearer than any other to giving the actual cash value of all realty. The city is districted and every two years an assessment is made. Each district has a volunteer commission of property owners and experts in values familiar with the district. The commission takes a block at a time and sets a value for one property on each street bounding the block. The value of each of the remaining properties is determined by its mathematical ratio to the standard lots. The commission notes the valuation and the legal description of the properties. After the commission has finished this work the assessors are sent out and make their valuation on each lot. The owner is then required to file a statement of what he

considers the fair selling price of his property. The board of assessors thus gains three independent estimates on which to base the final valuation. If the board decides to raise or lower the valuation of any given property, the other lots in the same block must undergo a proportionate change. Improvements are listed with full descriptions by the deputy assessors, and the board has the services of a special committee of contractors and architects to help it in fixing the valuation. These valuations are then compared with the owners' statements, and discrepancies are adjusted before the final figures are reached.

Three wards, believed to be fairly typical of the city of Philadelphia in general, were chosen as the basis of this study—Wards 1, 8, and 24. In 1889 Ward 24 was divided, a large western section being formed into Ward 34. In 1898 Ward 1 was divided, making Ward 39 of its southern portion. Consequently the area of Wards 1, 8, 24, 34, and 39 was covered by the inquiry. These five wards had an area of 10,280 acres, or 12 per cent of the total area of the city. Their population in 1890 was 13 per cent, and in 1900 15 per cent of the total population of the city. Their real estate in 1885 was valued, for purposes of taxation, at \$81,208,005 and in 1900 at \$163,108,018, or 14 per cent and 19 per cent of the total valuation of the taxable real estate of the city for the same years, which was, respectively, \$587,749,828 and \$879,295,355. Thus, roughly speaking, for the last third of our selected time period the material presented in the tables covered between 12 and 19 per cent of the city in area, population, and taxable real-estate values.

In physiographic character these wards ranged from land over which the tide ebbed and flowed to that lying 100 feet above sea level. Nearly two-thirds of Ward 39 in 1900 was subject to overflow by the tide, because of the breaking of the sluice gates or the embankment which protected its river frontage for some miles along the Delaware. A considerable amount of filling had been done and the made land, mainly along the river, was used or held for the future, chiefly by manufacturing interests. The work of filling and draining League Island Park had been begun. This park lay at the extreme southern limit of the city and comprised some 300 acres of land of which about one-third lay within the limits of Ward 39. It was intersected by Broad street, the western boundary of Ward 39, which was continued by a bridge to the navy-yard on League Island. The proposed improvement of the southern end of Broad street and the park involved filling, in many places, to the depth of 16 feet. No part of Wards 1 and 39 reached the 40-foot line of elevation. Ward 8 reached an elevation of nearly 60 feet, dropping below 40 feet toward its ends, while Wards 24 and 34 rose from 20 feet near the Schuylkill frontage to 100 feet toward the city line, their western boundary.

The vital statistics of the city give these wards a very fair ranking as compared with the rest of the city. Even Ward 39, with its low level, drawing its water supply in the lower section from shallow

wells which seemed mere stand holes for the river water, had a fair health record and was said to be growing perceptibly less malarial with the passing years.

In social and civic characteristics and in general lines of economic development, the five wards show great variation. The oldest of them, Ward 8, lies in the heart of old Philadelphia. It contains some of the most valuable business properties of the city, and to the west and south of the commercial section lies the fashionable residence quarter, of which Rittenhouse Square may be taken as the center. The public side of the complex life of the well-to-do largely centers in this ward. Hotels, theaters, churches, schools and colleges, libraries, political and social clubs of men and of women, scientific societies, banks, fashionable shops, the administrative offices of missions and charities—all these have grown up in Ward 8 in a body of residents long native to the city, and have brought with them rapid increase in values, a gradual lessening of the population, and in the last fifteen years a slight decrease in the number of holders.

When the city was first settled Ward 1 consisted of marsh and natural meadow, bearing a plentiful growth of forest timber and under-wood. During the years of clearing and semicultivation it became a serious menace to the health of the southern end of the city, but a fuller cultivation of the soil in the development of grazing and garden lands rescued the city from the poisonous exhalations of "The Neck." For many years before the railroads gave transportation for live stock or refrigeration for food stuffs this section furnished grazing for cattle brought on foot from farther west. Here they were rested and fattened for the local market. The change to railway transportation for cattle from western grazing lands to eastern markets brought to Ward 1 a serious shrinkage in values, from which it gradually recovered in the development of market gardening and the advance of the line of city improvements.

At the time of consolidation Ward 1 was almost all farm land. Business and residence building had crept down the line of the river front and had begun to push southward on Eighth street. It was evident that this section of the city would belong to the commercial and manufacturing interests and to a humble working-class population. The increase in the population and the number of holders was steady throughout the whole period, but the early promise in lines of manufacture was not fulfilled, the growth in industry finding its outlet more largely in the northern and northeastern than in the southern sections of the city. The northern portion of the old First Ward in 1900 was continuously built up with modest houses and shops. Its residents were mainly thrifty working people and small business men, and it was fairly supplied with churches and public schools, although other provision for the social and intellectual life of the people was little in evidence. The earlier native population had become nearly one-fourth foreign through

the heavy immigration from Europe, which began to flow into the city in the eighties, and this increase of foreigners was considered to have a depressing effect on real estate values. In Ward 39 only about one-fourth of the total area was improved. Some farms were under partial cultivation; a few small and wretched settlements of colored people were found, planted for speculative purposes and left to deteriorate; in the semimarsh lands toward the south had developed piggeries, maintained contrary to city ordinance, but winked at by the authorities, which serve as a profitable dumping ground for much of the city's garbage. The population belonging to this section seemed depressed and degenerate, isolated from almost every stimulating social and educational opportunity. The land, notwithstanding, was held at high values and was mainly in the hands of holders who could afford to wait for the growth of the encroaching city. Two railroads, the Pennsylvania and the Baltimore and Ohio, had sent their lines southward and eastward through "The Neck," and these, with the extended water front, made it reasonable to anticipate commercial and manufacturing demands that would repay long waiting.

The area of the present Wards 24 and 34 in 1855 was largely farm land and country places. While these wards in 1900 had manufactures worth millions of dollars in value of annual output, their characteristic development had been as residence quarters, having the usual supply shops lining certain streets and meeting local needs. The proximity of Fairmount Park insured the popularity of this section among the well-to-do, while at the western limit had come suburban development of a high class. Between these districts a large middle and working-class residence section was found, with a considerable amount of open land held for future improvement. About three-fourths of the population were native white Americans, and the supply of churches, schools, and other resources for communal activities was fairly commensurate with the population and prosperity of these wards. The following table shows the race distribution in Wards 24 and 34, Wards 1 and 39, and Ward 8, according to the United States census reports for 1890 and 1900:

RACE DISTRIBUTION IN SELECTED WARDS, 1890 AND 1900.

Year and nativity.	Wards 1 and 39.		Ward 8.		Wards 24 and 34.	
	Popula-tion.	Percent of total.	Popula-tion.	Percent of total.	Popula-tion.	Percent of total.
1890.						
Native white.....	42,117	78.2	9,455	55.7	51,609	77.9
Foreign white .....	10,940	20.3	4,485	26.4	12,619	19.0
Colored .....	825	1.5	3,031	17.9	2,049	3.1
Total.....	53,882	100.0	16,971	100.0	66,277	100.0
1900.						
Native white.....	60,365	77.1	9,732	61.8	77,999	80.5
Foreign white.....	16,329	20.9	3,534	22.4	14,859	15.3
Colored .....	1,602	2.0	2,491	15.8	4,048	4.2
Total.....	78,296	100.0	15,757	100.0	96,906	100.0

Throughout the city the story of the development of residence quarters must be written in terms of two and three story houses. The city was originally laid out in generous squares, and it was purposed that improvements should be confined to their four fronts. The interior portions, unoccupied by buildings, were for yards and gardens and the free circulation of air. The subdivision of squares was not forbidden, however, nor were regulations established for its limitation and control. For nearly a century from the granting of the first charter the location and width of streets opened by individual owners of land, the water supply, drainage and sewer connection, paving, material of construction, and so on, were left practically unregulated by public enactment. There followed inevitably the small street, alley, and court which have been profitable financially to real estate holders and have made occupancy and ownership of separate homes a characteristic of the life of Philadelphia, but which have brought troublesome and enduring problems of physical and moral sanitation. As the population increased the demand for small houses grew apace and the streets and alleys of narrow dimensions were multiplied. By an act of 1805, all streets, alleys, courts, and lanes which had been or might thereafter be laid out, opened, and appropriated to public use by private persons within the city, provided the same were not less than 20 feet wide, were declared to be in all respects public highways, and were thus subject to the regulation and control of councils as to paving and cleaning. As it is possible to find alleys less than 2 feet in width, it is easily seen that before the middle of the nineteenth century the cupidity or thrift of individual owners had sufficient latitude to develop the network of narrow streets which embody the housing problem of the city. Their curious variety of little dwellings; their limited water supply; their surface drainage, foully odorous in heat, miniature glaciers in cold, disgustingly mussy always; their loathsome open privy vaults, which, even when "well cared for" and not technically "nuisances," furnish air heavy with putridity as the daily portion of thousands of the city's inhabitants for at least three-fourths of the year—these suggest that the problems of practical sanitation are the crux of the housing question in Philadelphia rather than the congestion of the population within narrow geographical limits. Parallel with this development of streets well fitted to become the "slums" there came a better class of building for the homes of moderately circumstanced citizens and for those of greater wealth but of the simple habits and unostentatious living which has prevailed throughout the greater part of the history of the city.

On January 1, 1900, the total number of dwellings in Philadelphia could be listed as follows:

One-story dwellings .....	380
Two-story dwellings.....	129, 504
Three-story dwellings .....	123, 022
Four-story dwellings .....	5, 699
Five-story dwellings.....	79
Total .....	258, 684

Of these nearly 5 per cent were old frame dwellings antedating the modern building laws. Almost all the rest were of the usual red brick. In the newer parts of the city, after 1885, these were put up in blocks by speculative builders for immediate sale, and the quality of construction found in them was none too good. The progress and fluctuations in this operative building in Wards 1, 39, 24, and 34 are here shown for 15 years:

TWO AND THREE STORY HOUSES ERECTED INWARDS 1 AND 39, 24 AND 34, AND IN THE ENTIRE CITY OF PHILADELPHIA, 1887 TO 1901.

Year.	Wards 1 and 39.		Wards 24 and 34.		Total selected wards.	Entire city.		
	Two-story.	Three-story.	Two-story.	Three-story.		Two-story.	Three-story.	Total.
1887.....	204	20	252	132	608	4, 569	1, 629	6, 198
1888.....	270	21	390	172	853	5, 987	1, 436	7, 423
1889.....	580	29	628	219	1, 456	7, 450	1, 992	9, 442
1890.....	1, 062	40	695	311	2, 108	7, 301	1, 958	9, 259
1891.....	368	35	378	187	968	4, 632	1, 343	5, 975
1892.....	503	75	432	225	1, 235	5, 110	1, 744	6, 854
1893.....	203	20	141	245	609	3, 881	1, 737	5, 618
1894.....	322	63	424	239	1, 048	3, 905	2, 001	5, 906
1895.....	563	174	186	331	1, 254	4, 491	2, 612	7, 103
1896.....	393	15	793	264	1, 465	5, 040	1, 760	6, 800
1897.....	613	22	1, 192	280	2, 107	5, 490	1, 561	7, 051
1898.....	142	20	769	346	1, 277	3, 685	1, 373	5, 058
1899.....	25	1	478	52	556	2, 772	798	3, 570
1900.....	2	4	355	155	516	2, 302	775	3, 077
1901.....	219	26	826	228	1, 299	3, 625	939	4, 564
Total.....	5, 469	565	7, 939	3, 386	17, 359	70, 240	23, 658	93, 898

The devotion to dwellings of this type to be used by single families has not prevented congestion of the population in the older parts of the city, where the three-story houses have been adapted to tenement-house methods of life. A lack of clear definition of tenement use and lax requirements as to alterations when an ordinary dwelling is converted to such use make the transformation inexpensive and speculatively attractive. European immigrants, in their early years of American life, are not exacting as to space and improvements; house overcrowding is frequent and rental values go up, though in general selling values seem to depreciate. This is because the immigrant, while willing to pay a high rent, will not pay a high purchase price. He is the only buyer in the market in a large number of cases. The owners whom he and his kind displace as respects residence must sell as they move and can sell only to him at a price which he makes. The taste for privacy in the older population and the rapid construction of small houses has served, however, to keep the ownership of his own home a common, practicable ideal to the man earning wages or on a small,

fixed income, in that values have been kept within extremely reasonable bounds, while the development of numerous building and loan associations, (<sup>a</sup>) ready to make loans repayable upon easy terms, have fostered by easily gratifying the desires of small holders.

Compare with the figures given above for the selected wards the following statement of building operations in the whole city for the same time. We include here four-story dwellings, while the "total new buildings" column includes all industrial buildings—warehouses, dye and dry houses, factories, engine and boiler houses, breweries and bottling houses, foundries and shops—as well as special buildings; such as hospitals, apartment houses, etc.:

CONSTRUCTION OF BUILDINGS IN PHILADELPHIA, 1887 TO 1901.

Year.	Two-story.	Three-story.	Four-story.	Total two to four story.	Total new buildings.	Total two to three story.	Per cent of two to three story of total new buildings.
1887.....	4,569	1,629	3	6,201	6,784	6,198	91.4
1888.....	5,987	1,436	14	7,437	8,262	7,423	89.8
1889.....	7,450	1,992	34	9,476	10,250	9,442	92.1
1890.....	7,301	1,958	22	9,281	10,136	9,259	91.3
1891.....	4,632	1,343	12	5,987	6,738	5,975	88.7
1892.....	5,110	1,744	12	6,866	7,611	6,854	90.1
1893.....	3,881	1,737	14	5,632	6,255	5,618	89.8
1894.....	3,905	2,001	16	5,922	6,563	5,906	90.0
1895.....	4,491	2,612	31	7,134	7,540	7,103	94.2
1896.....	5,040	1,760	33	6,833	7,115	6,800	95.6
1897.....	5,490	1,561	23	7,074	7,344	7,051	96.0
1898.....	3,685	1,373	16	5,074	5,353	5,058	94.5
1899.....	2,772	798	19	3,589	3,877	3,570	92.1
1900.....	2,302	775	18	3,095	3,399	3,077	90.6
1901.....	3,625	939	26	4,590	5,032	4,564	90.7
Total .....	70,240	23,658	293	94,191	102,259	93,898	91.8

The great importance of the small holder in the Philadelphia real-estate market is evident. The demand for two-story dwellings has made them 68.7 per cent of the total number of buildings erected, while the inclusion of three-story dwellings shows 91.8 per cent of the total buildings as the proportion destined in large part for sale to the householder of moderate income. The following table shows that the

<sup>a</sup> It was in Frankford, which is now a part of Philadelphia, that the first building society of the United States was organized in 1831. In 1892 an investigation conducted by the United States Government showed something over 450 as the number of such societies in Philadelphia. A statement constructed by Mr. Michael J. Brown, former president of the Building Association League of the United States, covers practically the time of the existence of building societies in the city, and shows, as nearly as possible, the number of properties acquired by members in Philadelphia through their societies. A period of sixty-two years is divided into ten parts as follows: 10 years, homes acquired, 100; 10 years, homes acquired, 480; 6 years, homes acquired, 1,200; 6 years, homes acquired, 2,400; 6 years, homes acquired, 4,800; 6 years, homes acquired, 9,600; 6 years, homes acquired, 14,400; 6 years, homes acquired, 19,200; 6 years, homes acquired, 24,000; 62 years, homes acquired, 76,180.

average number of real-estate transfers in Philadelphia for the same time, excluding the year 1887, has been 13,287:

## REAL ESTATE TRANSFERS IN PHILADELPHIA, 1888 TO 1901.

Year.	Number.	Amount.	Year.	Number.	Amount.
1888.....	12,679	\$62,663,201.87	1897.....	12,876	\$78,117,354.46
1889.....	15,945	80,225,270.88	1898.....	11,880	65,644,095.54
1890.....	15,571	82,879,105.22	1899.....	11,950	63,835,684.67
1891.....	14,204	71,875,876.33	1900.....	12,160	62,752,733.57
1892.....	13,374	79,079,818.00	1901.....	13,195	84,339,888.19
1893.....	12,965	72,777,192.51	Total.....	186,018	1,026,998,394.13
1894.....	12,137	64,597,185.40			
1895.....	13,336	83,753,342.37	Annual average.	13,287	73,357,028.15
1896.....	13,746	74,457,645.12			

Although classes of transfers have not been discriminated, it seems probable that half or more than half the total should be assigned to small purchasers.

A comparison of the figures in the tables which show lots and values averaged among holders suggests a wide distribution of holdings and a level of values in the outlying residence wards such as to encourage the investment of small savings in homes. In the central and business section it shows no less clearly the tendency to an increase in value of property held by each holder quite independently of any significant increase in areas held. This would be still more marked but for the fact that Philadelphia has been extremely slow to alter or replace old business buildings. Many properties in the business district would be tremendously increased at once in productive value if improved or replaced to meet the present demands of business convenience.

## PER CAPITA DISTRIBUTION OF LOTS AND VALUES AMONG HOLDERS IN SELECTED WARDS FOR SELECTED PERIODS, 1855 TO 1900.

Year.	Wards 1 and 39.			Wards 24 and 34.			Ward 8.		
	Lots to each holder.	Value held by each holder.		Lots to each holder.	Value held by each holder.		Lots to each holder.	Value held by each holder.	
		Amount.	Relative amount based on 1865.		Amount.	Relative amount based on 1865.		Amount.	Relative amount based on 1865.
1855.....	1.86	\$1,545	69.4	1.22	\$2,198	128.7	1.43	\$6,560	90.0
1865.....	1.41	2,225	100.0	1.50	1,708	100.0	1.42	7,292	100.0
1875.....	2.32	4,015	180.4	1.92	6,224	364.4	1.48	19,530	267.8
1885.....	2.20	3,597	161.7	2.08	6,709	392.8	1.53	20,505	281.2
1895.....	2.33	3,931	176.7	2.10	5,827	341.2	1.57	29,175	400.1
1900.....	2.24	3,945	177.3	2.37	6,328	370.5	1.53	35,855	491.7

In the tables the general progress in all the elements considered is strikingly arrested between 1875 and 1885. This is due to two causes, one common to all parts of the country, the other local in effect. The first was the financial panic of 1873, which depressed all business interests and from which real estate was slow to recover. The second was the depression of values following the Centennial in 1876. This was

felt throughout the city, but most strongly in West Philadelphia, including Wards 24 and 34. This region was overvalued and overbuilt in anticipation of the golden harvest to be gathered from the visitors to the first great American "World's Fair." The first reaping was profitable, but the aftermath had a different character. The whole city suffered a long period of depression in real-estate business which was most acutely felt west of the Schuylkill, throughout the regions adjacent to Fairmount Park, within which the fair grounds were located. Here values and the number of owners dropped sharply, while in Wards 1, 8, and 39 they hardly more than held their own. The choice of decennial periods has equalized the changes.

The following table shows the number of persons holding land in each ward at each period, by classified values of holdings:

NUMBER OF PERSONS HOLDING LAND IN EACH WARD AT EACH PERIOD, BY CLASSIFIED VALUES OF HOLDINGS, 1855 TO 1900.

**WARDS 1 AND 39.**

Values.	1855.	1865.	1875.	1885.	1895.	1900.
Under \$500.....	782	924	108	97	112	130
\$500 or under \$1,000.....	479	685	493	1,017	1,005	1,097
1,000 or under 1,500.....	197	226	964	838	1,210	1,399
1,500 or under 2,000.....	97	101	483	630	1,095	1,301
2,000 or under 2,500.....	90	68	407	444	736	855
2,500 or under 3,000.....	50	55	300	290	400	433
3,000 or under 3,500.....	45	31	229	223	414	443
3,500 or under 4,000.....	23	22	151	167	211	255
4,000 or under 4,500.....	19	23	137	141	208	200
4,500 or under 5,000.....	20	9	83	90	161	184
5,000 or under 5,500.....	16	18	88	76	120	141
5,500 or under 6,000.....	16	3	43	60	85	84
6,000 or under 6,500.....	11	8	59	54	89	96
6,500 or under 7,000.....	6	6	31	40	63	56
7,000 or under 7,500.....	6	5	44	37	68	71
7,500 or under 8,000.....	6	6	33	25	40	53
8,000 or under 8,500.....	9	3	34	35	55	48
8,500 or under 9,000.....	5	3	11	22	26	38
9,000 or under 9,500.....	10	1	21	17	31	42
9,500 or under 10,000.....	3	1	13	23	24	27
10,000 or under 11,000.....	10	3	31	32	55	49
11,000 or under 12,000.....	2	4	21	21	33	44
12,000 or under 13,000.....	6	1	20	23	27	37
13,000 or under 14,000.....	2	.....	14	20	28	26
14,000 or under 15,000.....	.....	.....	16	11	24	21
15,000 or under 16,000.....	.....	3	12	12	23	29
16,000 or under 17,000.....	2	.....	14	10	11	18
17,000 or under 18,000.....	3	.....	13	10	11	15
18,000 or under 19,000.....	.....	1	10	14	8	9
19,000 or under 20,000.....	1	.....	5	5	8	10
20,000 or under 25,000.....	5	8	35	20	30	35
25,000 or under 30,000.....	1	4	20	13	27	28
30,000 or under 35,000.....	2	1	11	9	15	18
35,000 or under 40,000.....	2	1	9	9	12	11
40,000 or under 45,000.....	1	.....	8	4	6	8
45,000 or under 50,000.....	.....	.....	4	4	4	3
50,000 or under 100,000.....	1	1	19	15	33	34
100,000 or under 200,000.....	.....	.....	5	6	7	9
200,000 or under 300,000.....	.....	.....	2	1	3	3
300,000 or under 400,000.....	.....	.....	1	.....	.....	1
400,000 or under 500,000.....	.....	.....	.....	1	2	2
500,000 or over .....	.....	.....	.....	.....	.....	2
Total persons holding land .....	1,928	2,225	4,002	4,566	6,520	7,363

## NUMBER OF PERSONS HOLDING LAND IN EACH WARD AT EACH PERIOD, BY CLASSIFIED VALUES OF HOLDINGS, 1855 TO 1900—Continued.

## WARD 8.

Values.	1855.	1865.	1875.	1885.	1895.	1900.
Under \$500.....	49	40	4	1	1	1
\$500 or under \$1,000.....	174	156	35	49	39	33
1,000 or under 1,500.....	174	189	98	81	67	68
1,500 or under 2,000.....	84	113	72	83	36	27
2,000 or under 2,500.....	71	101	102	76	46	48
2,500 or under 3,000.....	82	83	81	74	32	26
3,000 or under 3,500.....	73	66	82	71	50	37
3,500 or under 4,000.....	87	82	44	59	24	36
4,000 or under 4,500.....	68	83	39	43	58	67
4,500 or under 5,000.....	49	59	48	55	40	42
5,000 or under 5,500.....	64	98	53	49	71	72
5,500 or under 6,000.....	66	47	39	43	34	36
6,000 or under 6,500.....	46	79	58	33	43	59
6,500 or under 7,000.....	37	36	19	28	16	20
7,000 or under 7,500.....	49	56	39	36	39	46
7,500 or under 8,000.....	27	40	24	44	31	20
8,000 or under 8,500.....	35	49	52	54	48	45
8,500 or under 9,000.....	17	15	31	49	22	21
9,000 or under 9,500.....	43	53	39	63	25	27
9,500 or under 10,000.....	18	11	15	30	30	21
10,000 or under 11,000.....	51	56	74	63	80	88
11,000 or under 12,000.....	40	39	50	44	39	46
12,000 or under 13,000.....	27	47	71	53	65	54
13,000 or under 14,000.....	25	25	35	44	44	42
14,000 or under 15,000.....	15	22	45	43	38	24
15,000 or under 16,000.....	24	33	47	34	57	46
16,000 or under 17,000.....	15	26	47	71	46	45
17,000 or under 18,000.....	10	8	40	56	48	42
18,000 or under 19,000.....	12	21	59	62	58	73
19,000 or under 20,000.....	8	5	27	36	25	22
20,000 or under 25,000.....	26	44	139	133	189	178
25,000 or under 30,000.....	15	18	104	80	107	110
30,000 or under 35,000.....	6	15	64	64	80	85
35,000 or under 40,000.....	5	6	45	61	55	49
40,000 or under 45,000.....	6	10	58	37	57	60
45,000 or under 50,000.....	6	2	36	25	42	51
50,000 or under 100,000.....	13	17	133	110	145	164
100,000 or under 200,000.....	2	3	35	45	63	75
200,000 or under 300,000.....		1	7	7	20	26
300,000 or under 400,000.....			2	6	11	13
400,000 or under 500,000.....				1	5	5
500,000 or over .....			1	2	5	14
Total persons holding land .....	1,619	1,854	2,093	2,098	2,031	2,064

## WARDS 24 AND 34.

Under \$500.....	590	801	215	24	217	206
\$500 or under \$1,000.....	339	411	483	263	548	558
1,000 or under 1,500.....	168	241	537	372	903	1,132
1,500 or under 2,000.....	122	93	357	323	891	1,052
2,000 or under 2,500.....	85	77	288	338	1,139	1,404
2,500 or under 3,000.....	61	42	258	231	483	563
3,000 or under 3,500.....	57	43	192	185	617	723
3,500 or under 4,000.....	29	35	168	176	488	503
4,000 or under 4,500.....	36	25	153	158	386	490
4,500 or under 5,000.....	24	19	96	114	277	345
5,000 or under 5,500.....	25	15	114	106	282	364
5,500 or under 6,000.....	10	13	70	90	171	190
6,000 or under 6,500.....	13	12	107	126	238	255
6,500 or under 7,000.....	13	10	56	74	135	148
7,000 or under 7,500.....	12	4	54	55	111	135
7,500 or under 8,000.....	7	3	34	52	80	116
8,000 or under 8,500.....	9	8	37	56	117	137
8,500 or under 9,000.....	6	3	21	40	65	100
9,000 or under 9,500.....	7	4	35	44	98	113
9,500 or under 10,000.....	3	2	23	24	55	63

NUMBER OF PERSONS HOLDING LAND IN EACH WARD AT EACH PERIOD, BY CLASSIFIED VALUES OF HOLDINGS, 1855 TO 1900—Concluded.

**WARDS 24 AND 34**—Concluded.

Values.	1855.	1865.	1875.	1885.	1895.	1900.
\$10,000 or under \$11,000	11	5	69	59	106	132
11,000 or under 12,000	9	7	25	39	47	78
12,000 or under 13,000	4	3	41	29	63	101
13,000 or under 14,000	4	7	25	21	38	67
14,000 or under 15,000	4	1	20	20	43	73
15,000 or under 16,000	4	1	20	14	59	58
16,000 or under 17,000	5	7	19	12	35	42
17,000 or under 18,000	4	5	18	13	35	25
18,000 or under 19,000	2	4	14	18	29	26
19,000 or under 20,000	2	3	13	7	19	21
20,000 or under 25,000	7	6	67	36	84	95
25,000 or under 30,000	3	4	30	33	57	77
30,000 or under 35,000	2	—	26	19	36	52
35,000 or under 40,000	2	1	14	9	30	39
40,000 or under 45,000	1	—	13	14	15	31
45,000 or under 50,000	—	—	4	10	16	19
50,000 or under 100,000	1	1	37	30	67	79
100,000 or under 200,000	1	—	17	10	14	32
200,000 or under 300,000	—	1	1	—	1	8
300,000 or under 400,000	—	—	—	—	1	1
400,000 or under 500,000	—	—	—	—	—	1
500,000 or over	—	—	—	1	1	4
Total persons holding land	1,682	1,917	3,772	3,245	8,099	9,658

Comparing the figures for the beginning and end of the period, we find that in Wards 1 and 39 the increase in the number of owners in 1900 over the number in 1855 was 281.9 per cent. In Ward 8 there was a net gain of only 27.5 per cent, with a tendency toward a decrease in the last third of the period. In Wards 24 and 34 the percentage of increase was 474.2.

As to general grouping by valuation levels, in Ward 1 in 1855, 1,802 owners, or 93 per cent of the total number, held values below \$5,000. In 1900, 6,297, or 86 per cent, were below the \$5,000 line. Of these, 4,782, or 76 per cent of the group, fell below \$2,500. The 14 per cent of total holders whose holdings are valued above \$5,000 are distributed into groups which descend in number, with a fair degree of regularity, from 141 at \$5,000 or under \$5,500 to 1 at \$300,000 or under \$400,000 and 2 at \$500,000 or over. Nearly four-fifths of the 14 per cent lie between \$5,000 and \$15,000.

In Ward 8 in 1855, 911 owners, or 56 per cent, belonged to the group holding properties valued at less than \$5,000, while in 1900 only 385 holders, or 19 per cent, were on this level—849, or 41 per cent, standing between \$5,000 and \$20,000, and 811, or 39 per cent, between \$20,000 and \$400,000. The remaining 1 per cent of the holders are located above the \$400,000 line. It is a matter of common knowledge, however, that within very recent years the advance of actual market values of real estate in central districts has been almost

phenomenal. Assessors' valuations have lagged behind these changes, and consequently the figures of the tables must be regarded as lower than the facts justify in their presentation of both the higher values and the proportion of holders above the \$400,000 level.

In Wards 24 and 34 in 1855, 1,511 holders, or 90 per cent, and in 1900, 6,976, or 72 per cent, were below \$5,000 in respect to values of holdings. Of this 72 per cent more than half falls below \$2,500. Below \$10,000 we find, in 1900, 89 per cent of the holders. The rest are fairly evenly divided as to value levels until the \$200,000 line is reached. Above this level only  $\frac{1}{100}$  per cent of the total holders are found.

The first of the three tables that follow gives the number of persons holding land, assessed value of the land, and population; the second, assessed value of certain largest holdings in each ward at each period, also the per cent of the total valuations, and the third shows the rate of variation in number of holders, assessed value, and population by relating them to the figures for 1865 as a base:

NUMBER OF PERSONS HOLDING LAND, ASSESSED VALUE OF THE LAND, AND POPULATION IN EACH WARD AT EACH PERIOD, 1855 TO 1900.

Wards.	Years.	Holders.		Assessed value of taxable property.		Population.	
		Number.	Relative number based on 1865.	Amount.	Relative amount based on 1865.	Number.	Relative number based on 1865.
Wards 1 and 39 .....	1855....	1,928	86.7	\$2,979,574	111.8	(a)	(a)
	1865....	2,225	100.0	2,664,862	100.0	b 28,238	100.0
	1875....	4,002	179.9	16,071,619	603.1	b 33,350	118.1
	1885....	4,566	205.2	16,415,425	616.0	b 48,180	170.6
	1895....	6,520	293.0	25,630,212	961.8	b 64,967	230.1
	1900....	7,363	330.9	29,049,583	1,090.1	78,296	277.3
Ward 8 .....	1855....	1,619	87.3	10,621,157	78.6	b 22,157	89.1
	1865....	1,854	100.0	13,521,130	100.0	b 24,877	100.0
	1875....	2,093	112.9	40,878,250	302.3	b 20,872	83.9
	1885....	2,098	113.2	43,019,850	318.2	b 18,214	73.2
	1895....	2,031	109.5	59,254,800	438.2	b 16,353	65.7
	1900....	2,064	111.3	73,006,150	539.9	15,757	63.3
Wards 24 and 34 .....	1855....	1,682	87.7	3,697,977	112.9	(a)	(a)
	1865....	1,917	100.0	3,275,320	100.0	b 24,328	100.0
	1875....	3,772	196.8	23,477,418	716.8	b 33,892	139.3
	1885....	3,245	169.3	21,772,730	664.8	b 55,258	227.1
	1895....	8,099	422.5	47,196,989	1,441.0	b 80,141	329.4
	1900....	9,658	503.8	61,124,285	1,866.2	96,906	398.3

<sup>a</sup> Not reported.

<sup>b</sup> Estimated.

NUMBER OF PERSONS HOLDING LAND, ASSESSED VALUE OF THE LAND, AND ASSESSED VALUE OF CERTAIN LARGEST HOLDINGS IN EACH WARD AT EACH PERIOD, 1855 TO 1900.

Wards.	Years.	Number of holders.	Assessed value of taxable property.	Taxable property held by 10 largest holders.		Taxable property held by the 1 per cent of holders having largest holdings.	
				Assessed value.	Per cent of total property.	Assessed value.	Per cent of total property.
Wards 1 and 39 . . . . .	1855 . . . . .	1,928	\$2,979,574	\$335,824	11.27	\$497,600	16.70
	1865 . . . . .	2,225	2,664,862	295,762	11.10	496,537	18.63
	1875 . . . . .	4,002	16,071,619	1,694,500	10.54	3,334,424	20.75
	1885 . . . . .	4,566	16,415,425	2,071,250	12.62	3,776,184	23.00
	1895 . . . . .	6,520	25,630,212	3,030,850	11.83	6,226,325	24.29
	1900 . . . . .	7,363	29,049,583	3,534,900	12.17	7,408,595	25.50
Ward 8 . . . . .	1855 . . . . .	1,619	10,621,157	859,250	8.09	1,179,085	11.10
	1865 . . . . .	1,854	13,521,130	1,172,300	8.67	1,695,620	12.54
	1875 . . . . .	2,093	40,878,250	2,935,900	7.18	4,828,900	11.81
	1885 . . . . .	2,098	43,019,850	4,061,700	9.44	6,395,500	14.87
	1895 . . . . .	2,031	59,254,800	5,779,500	9.75	9,191,500	15.51
	1900 . . . . .	2,064	73,006,150	10,440,000	14.30	15,691,160	21.49
Wards 24 and 34 . . . . .	1855 . . . . .	1,682	3,697,977	512,832	13.87	662,954	17.93
	1865 . . . . .	1,917	3,275,320	470,775	14.37	650,296	19.85
	1875 . . . . .	3,772	23,477,418	3,338,200	14.22	5,770,940	24.58
	1885 . . . . .	3,245	21,772,730	3,398,100	15.61	5,127,685	23.55
	1895 . . . . .	8,099	47,196,989	5,590,425	11.84	11,175,487	23.68
	1900 . . . . .	9,658	61,124,285	6,226,060	10.19	15,168,940	24.82

RATES OF VARIATION IN VARIOUS ELEMENTS COMPARED, 1865 TAKEN AS BASE.

#### WARDS 1 AND 39.

Year.	Popula-tion.	Number of holders.	Total valua-tion.	Per cent of property held by 10 largest holders.	Per cent of property held by the 1 per cent of holders having largest holdings.
1855 . . . . .	86.7	111.8	101.53	89.64	
1865 . . . . .	100.0	100.0	100.00	100.00	
1875 . . . . .	118.1	179.9	94.95	113.37	
1885 . . . . .	170.6	205.2	113.69	123.45	
1895 . . . . .	230.1	293.0	106.07	130.38	
1900 . . . . .	277.3	330.9	109.63	136.87	

#### WARD 8.

1855 . . . . .	89.1	87.3	78.6	93.31	88.51
1865 . . . . .	100.0	100.0	100.0	100.00	100.00
1875 . . . . .	83.9	112.9	302.3	82.81	94.17
1885 . . . . .	73.2	113.2	318.2	108.88	118.58
1895 . . . . .	65.7	109.5	438.2	112.45	123.68
1900 . . . . .	63.3	111.3	539.9	164.93	171.37

#### WARDS 24 AND 34.

1855 . . . . .	87.7	112.9	96.52	90.32
1865 . . . . .	100.0	100.0	100.00	100.00
1875 . . . . .	139.3	196.8	98.95	123.82
1885 . . . . .	227.1	169.3	108.62	118.63
1895 . . . . .	329.4	422.5	82.39	119.29
1900 . . . . .	398.3	503.8	70.91	125.03

The contrast in the residence and business development of real estate as shown in Wards 1, 39, 24, and 34 and in Ward 8, respectively, is

apparent in the ranking of the elements as to rate of increase. Beginning with the one showing highest rate of increase the elements rank as follows:

Wards 1, 39, 24, and 34:

1. Valuation.
2. Number of holders.
3. Population.
4. The 1 per cent of holders having largest holdings.
5. Ten largest holders.

Ward 8:

1. Valuation.
2. The 1 per cent of holders having largest holdings.
3. Ten largest holders.
4. Number of holders.
5. Population.

The actual number of persons included in the 1 per cent of holders having largest holdings and the valuation held by them have been set in immediate relation with the figures for the 10 largest holders, as follows:

#### WARDS 1 AND 39.

In 1855 10 owners held 11.27 per cent; 19 owners, 16.70 per cent of total valuation.  
 In 1865 10 owners held 11.10 per cent; 22 owners, 18.63 per cent of total valuation.  
 In 1875 10 owners held 10.54 per cent; 40 owners, 20.75 per cent of total valuation.  
 In 1885 10 owners held 12.62 per cent; 46 owners, 23.00 per cent of total valuation.  
 In 1895 10 owners held 11.83 per cent; 65 owners, 24.29 per cent of total valuation.  
 In 1900 10 owners held 12.17 per cent; 74 owners, 25.50 per cent of total valuation.

#### WARD 8.

In 1855 10 owners held 8.09 per cent; 16 owners, 11.10 per cent of total valuation.  
 In 1865 10 owners held 8.67 per cent; 19 owners, 12.54 per cent of total valuation.  
 In 1875 10 owners held 7.18 per cent; 21 owners, 11.81 per cent of total valuation.  
 In 1885 10 owners held 9.44 per cent; 21 owners, 14.87 per cent of total valuation.  
 In 1895 10 owners held 9.75 per cent; 20 owners, 15.51 per cent of total valuation.  
 In 1900 10 owners held 14.30 per cent; 21 owners, 21.49 per cent of total valuation.

#### WARDS 24 AND 34.

In 1855 10 owners held 13.87 per cent; 17 owners, 17.93 per cent of total valuation.  
 In 1865 10 owners held 14.37 per cent; 19 owners, 19.85 per cent of total valuation.  
 In 1875 10 owners held 14.22 per cent; 38 owners, 24.58 per cent of total valuation.  
 In 1885 10 owners held 15.61 per cent; 32 owners, 23.55 per cent of total valuation.  
 In 1895 10 owners held 11.84 per cent; 81 owners, 23.68 per cent of total valuation.  
 In 1900 10 owners held 10.19 per cent; 97 owners, 24.82 per cent of total valuation.

In the 1 per cent group there has been a steady gain, the rate of which accelerates in recent years, resulting in a strikingly similar condition in the several wards at the end of the period, when throughout the selected wards practically one-quarter of the valuation is held by one one-hundredth of the owners. The uniformity of progress to this point is disturbed in Wards 24 and 34 by the influence of the Centennial. The 10 largest holders have lost in relative importance in

Wards 24 and 34, a little more than held their own in Wards 1 and 39, while in Ward 8 they have made heavy gains, the increase being most marked in very recent years. Both the total number of holders and the valuation show a rate of increase far higher than that of the population. In Ward 8, however, the movement of the figures of the number of holders' column seems in the last fifteen years to have changed its direction. There is a slight tendency to concentration of ownership not discernible in the residence wards.

The following two tables show, respectively, the number of persons holding land in each ward at each period by classified areas of holdings, and the number of lots in each ward at each period by classified areas:

NUMBER OF PERSONS HOLDING LAND IN EACH WARD AT EACH PERIOD, BY CLASSIFIED AREAS OF HOLDINGS, 1855 TO 1900.

**WARDS 1 AND 39.**

Areas (square feet).	1855.	1865.	1875.	1885.	1895.	1900.
Under 500 . . . . .	3	20	33	33	37	38
500 or under 1,000 . . . . .	80	865	1,628	1,817	2,719	3,233
1,000 or under 1,500 . . . . .	84	348	829	971	1,380	1,583
1,500 or under 2,000 . . . . .	82	283	343	378	610	608
2,000 or under 2,500 . . . . .	47	105	236	273	356	380
2,500 or under 3,000 . . . . .	14	61	122	149	236	253
3,000 or under 3,500 . . . . .	28	62	108	142	189	219
3,500 or under 4,000 . . . . .	20	47	86	105	142	162
4,000 or under 4,500 . . . . .	12	27	55	75	87	104
4,500 or under 5,000 . . . . .	9	20	44	52	72	92
5,000 or under 5,500 . . . . .	11	16	31	58	73	71
5,500 or under 6,000 . . . . .	7	23	34	35	50	57
6,000 or under 6,500 . . . . .	8	12	37	38	60	45
6,500 or under 7,000 . . . . .	4	6	16	20	34	33
7,000 or under 7,500 . . . . .	3	16	20	23	37	38
7,500 or under 8,000 . . . . .	9	9	16	18	22	33
8,000 or under 8,500 . . . . .	3	10	12	14	20	23
8,500 or under 9,000 . . . . .	5	5	12	16	14	15
9,000 or under 9,500 . . . . .	1	6	11	18	21	20
9,500 or under 10,000 . . . . .	5	6	11	15	11	15
10,000 or under 11,000 . . . . .	3	14	24	21	27	28
11,000 or under 12,000 . . . . .	2	6	15	13	20	18
12,000 or under 13,000 . . . . .	3	7	23	12	12	18
13,000 or under 14,000 . . . . .	5	3	12	12	14	9
14,000 or under 15,000 . . . . .	2	6	8	10	5	8
15,000 or under 16,000 . . . . .	5	2	4	11	7	7
16,000 or under 17,000 . . . . .	3	7	4	6	13	12
17,000 or under 18,000 . . . . .	1	1	6	3	6	14
18,000 or under 19,000 . . . . .	4	5	7	9	7	5
19,000 or under 20,000 . . . . .	2	5	7	3	4	6
20,000 or under 25,000 . . . . .	7	15	25	17	18	15
25,000 or under 30,000 . . . . .	4	7	8	7	9	10
30,000 or under 35,000 . . . . .	4	6	7	14	12	7
35,000 or under 40,000 . . . . .	8	6	6	3	6	4
40,000 or under 45,000 . . . . .	7	6	8	8	9	5
45,000 or under 50,000 . . . . .	2	5	2	1	5	5
50,000 or under 100,000 . . . . .	10	18	20	18	24	23
100,000 or under 200,000 . . . . .	28	21	14	17	15	9
200,000 or under 300,000 . . . . .	21	12	13	13	7	7
300,000 or under 400,000 . . . . .	16	7	9	11	9	5
400,000 or under 500,000 . . . . .	9	4	9	11	9	12
500,000 or over . . . . .	35	44	45	35	33	30
Total persons holding land with area reported.	616	2,154	3,960	4,505	6,441	7,279
Persons holding land with area not reported.	1,312	71	42	61	79	84
Total persons holding land . . . . .	1,928	2,225	4,002	4,566	6,520	7,363

NUMBER OF PERSONS HOLDING LAND IN EACH WARD AT EACH PERIOD, BY CLASSIFIED AREAS OF HOLDINGS, 1855 TO 1900—Continued.

**WARD 8.**

Areas (square feet).	1855.	1865.	1875.	1885.	1895.	1900.
Under 500.....	8	45	70	60	47	49
500 or under 1,000.....	36	205	275	256	234	238
1,000 or under 1,500.....	73	301	361	376	349	360
1,500 or under 2,000.....	40	277	302	325	321	331
2,000 or under 2,500.....	64	218	260	277	293	299
2,500 or under 3,000.....	29	144	142	154	161	184
3,000 or under 3,500.....	20	91	136	121	114	109
3,500 or under 4,000.....	23	81	76	80	80	67
4,000 or under 4,500.....	21	51	70	64	71	65
4,500 or under 5,000.....	24	67	54	57	49	58
5,000 or under 5,500.....	15	46	56	54	44	50
5,500 or under 6,000.....	7	44	53	45	43	33
6,000 or under 6,500.....	6	34	26	34	37	29
6,500 or under 7,000.....	4	13	22	16	25	20
7,000 or under 7,500.....	8	20	13	14	12	15
7,500 or under 8,000.....	11	20	21	15	12	17
8,000 or under 8,500.....	9	20	12	14	13	11
8,500 or under 9,000.....	5	7	7	5	6	8
9,000 or under 9,500.....	1	9	10	7	7	5
9,500 or under 10,000.....	7	7	8	6	4	5
10,000 or under 11,000.....	9	21	23	18	23	21
11,000 or under 12,000.....	6	13	10	11	10	8
12,000 or under 13,000.....	1	5	8	7	10	12
13,000 or under 14,000.....	2	10	6	9	6	5
14,000 or under 15,000.....	2	8	8	5	4	4
15,000 or under 16,000.....		4	6	2	4	5
16,000 or under 17,000.....		6	5	6	6	1
17,000 or under 18,000.....		3	2	4	3	5
18,000 or under 19,000.....	2	4	6	1	4	3
19,000 or under 20,000.....	3	5	—	1	1	—
20,000 or under 25,000.....	6	8	11	8	7	8
25,000 or under 30,000.....	6	6	5	6	8	8
30,000 or under 35,000.....	1	2	2	5	4	4
35,000 or under 40,000.....		4	1	3	4	4
40,000 or under 45,000.....	2	4	2	—	—	2
45,000 or under 50,000.....	2	1	1	2	2	—
50,000 or under 100,000.....		3	1	5	5	6
100,000 or under 200,000.....			1	—	—	—
200,000 or under 300,000.....			—	—	—	—
300,000 or under 400,000.....			—	—	—	—
400,000 or under 500,000.....			—	—	—	—
500,000 or over .....			—	—	—	—
Total persons holding land with areas reported.....	453	1,807	2,072	2,073	2,023	2,049
Persons holding land with areas not reported.....	1,166	47	21	25	8	15
Total persons holding land.....	1,619	1,854	2,093	2,098	2,031	2,064

**WARDS 24 AND 34.**

Under 500.....			12	14	30	21
500 or under 1,000.....	1	22	269	379	879	1,044
1,000 or under 1,500.....	12	53	320	575	1,914	2,279
1,500 or under 2,000.....	15	91	359	452	1,210	1,539
2,000 or under 2,500.....	23	105	324	303	617	793
2,500 or under 3,000.....	20	74	274	321	559	640
3,000 or under 3,500.....	9	70	191	155	369	402
3,500 or under 4,000.....	19	53	143	100	257	294
4,000 or under 4,500.....	15	49	138	99	202	226
4,500 or under 5,000.....	4	86	135	83	204	225
5,000 or under 5,500.....	29	65	129	80	166	194
5,500 or under 6,000.....	12	32	70	51	148	171
6,000 or under 6,500.....	16	36	88	53	105	137
6,500 or under 7,000.....	6	16	63	44	87	103
7,000 or under 7,500.....	11	29	38	31	81	95

NUMBER OF PERSONS HOLDING LAND IN EACH WARD AT EACH PERIOD, BY CLASSIFIED AREAS OF HOLDINGS, 1855 TO 1900—Concluded.

**WARDS 24 AND 34—Concluded.**

Areas (square feet).		1855.	1865.	1875.	1885.	1895.	1900.
7,500 or under	8,000	7	29	70	38	75	90
8,000 or under	8,500	5	41	57	35	57	64
8,500 or under	9,000	9	14	58	31	49	57
9,000 or under	9,500	11	37	70	35	79	73
9,500 or under	10,000	4	11	47	17	40	51
10,000 or under	11,000	20	69	71	30	73	84
11,000 or under	12,000	14	25	72	11	69	73
12,000 or under	13,000	7	26	45	23	60	72
13,000 or under	14,000	3	16	46	27	47	35
14,000 or under	15,000	5	14	29	22	32	50
15,000 or under	16,000	13	21	26	19	30	55
16,000 or under	17,000	7	18	28	21	22	29
17,000 or under	18,000	9	10	17	13	22	23
18,000 or under	19,000	2	20	29	14	27	33
19,000 or under	20,000	1	7	18	8	26	27
20,000 or under	25,000	24	54	88	30	100	125
25,000 or under	30,000	18	29	47	27	54	63
30,000 or under	35,000	19	32	44	15	36	44
35,000 or under	40,000	12	9	16	6	29	33
40,000 or under	45,000	14	17	22	12	27	23
45,000 or under	50,000	6	9	13	6	22	23
50,000 or under	100,000	51	36	74	31	87	81
100,000 or under	200,000	31	44	56	12	43	53
200,000 or under	300,000	20	23	19	4	25	20
300,000 or under	400,000	27	17	13	2	17	10
400,000 or under	500,000	15	6	8	—	9	11
500,000 or over	.....	179	72	72	1	57	42
Total persons holding land with areas reported		725	1,487	3,708	3,230	8,042	9,507
Persons holding land with areas not reported		957	430	64	15	57	151
Total persons holding land	.....	1,682	1,917	3,772	3,245	8,099	9,658

NUMBER OF LOTS IN EACH WARD AT EACH PERIOD, BY CLASSIFIED AREAS, 1855 TO 1900.

**WARDS 1 AND 39.**

Areas (square feet).		1855.	1865.	1875.	1885.	1895.	1900.
Under 500	.....	5	41	191	168	180	178
500 or under	1,000	186	1,559	5,723	6,468	10,873	11,907
1,000 or under	1,500	351	517	2,281	2,212	2,964	3,244
1,500 or under	2,000	245	334	438	404	419	440
2,000 or under	2,500	68	89	119	119	111	128
2,500 or under	3,000	28	41	33	42	57	69
3,000 or under	3,500	36	61	66	73	72	71
3,500 or under	4,000	17	41	46	59	48	43
4,000 or under	4,500	18	35	25	38	34	32
4,500 or under	5,000	16	10	20	23	16	16
5,000 or under	5,500	10	16	12	20	17	16
5,500 or under	6,000	9	15	15	19	15	15
6,000 or under	6,500	13	19	19	28	27	23
6,500 or under	7,000	6	6	10	12	11	7
7,000 or under	7,500	6	15	16	11	11	10
7,500 or under	8,000	5	11	11	12	3	2
8,000 or under	8,500	3	13	11	8	14	12
8,500 or under	9,000	7	5	5	5	5	2
9,000 or under	9,500	5	5	7	8	7	4
9,500 or under	10,000	6	5	1	5	2	2
10,000 or under	11,000	5	19	11	13	8	10
11,000 or under	12,000	5	7	5	6	7	6
12,000 or under	13,000	6	8	5	11	11	10
13,000 or under	14,000	7	5	5	8	7	5
14,000 or under	15,000	5	7	1	4	2	2
15,000 or under	16,000	6	4	3	10	5	4
16,000 or under	17,000	5	5	—	5	6	5
17,000 or under	18,000	3	1	4	1	5	3
18,000 or under	19,000	4	7	8	9	2	4
19,000 or under	20,000	1	2	1	1	2	2

## NUMBER OF LOTS IN EACH WARD AT EACH PERIOD, BY CLASSIFIED AREAS, 1855 TO 1900—Continued.

## WARDS 1 AND 39—Concluded.

Areas (square feet).		1855.	1865.	1875.	1885.	1895.	1900.
20,000 or under	25,000	8	15	17	19	12	10
25,000 or under	30,000	10	6	6	8	8	4
30,000 or under	35,000	7	10	7	11	9	3
35,000 or under	40,000	7	7	24	3	4	3
40,000 or under	45,000	23	8	7	7	7	6
45,000 or under	50,000	5	3	.....	1	10	3
50,000 or under	100,000	27	20	19	22	23	22
100,000 or under	200,000	56	26	19	27	16	13
200,000 or under	300,000	28	13	17	19	14	13
300,000 or under	400,000	27	12	15	16	15	13
400,000 or under	500,000	16	7	9	12	9	11
500,000 or over		41	43	45	43	42	38
Total number of lots with areas reported		1,342	3,073	9,277	9,990	15,110	16,411
Number of lots with areas not reported		2,253	74	47	72	90	95
Total number of lots		3,595	3,147	9,324	10,062	15,200	16,506

## WARD 8.

Under 500		13	79	193	203	216	200
500 or under	1,000	71	464	701	701	690	666
1,000 or under	1,500	133	524	683	682	686	688
1,500 or under	2,000	70	425	428	489	489	503
2,000 or under	2,500	105	302	357	371	381	386
2,500 or under	3,000	50	192	173	200	195	191
3,000 or under	3,500	48	112	135	142	136	132
3,500 or under	4,000	38	95	68	70	71	68
4,000 or under	4,500	39	61	65	65	62	58
4,500 or under	5,000	33	78	49	54	55	55
5,000 or under	5,500	19	38	41	45	32	33
5,500 or under	6,000	8	44	51	46	46	41
6,000 or under	6,500	12	26	24	24	24	22
6,500 or under	7,000	5	15	19	17	19	17
7,000 or under	7,500	9	18	9	9	14	14
7,500 or under	8,000	14	14	16	14	10	12
8,000 or under	8,500	9	18	9	11	5	6
8,500 or under	9,000	2	6	3	4	4	6
9,000 or under	9,500	2	6	5	5	4	4
9,500 or under	10,000	4	3	2	2	2	2
10,000 or under	11,000	14	15	13	8	11	10
11,000 or under	12,000	9	6	5	6	5	5
12,000 or under	13,000	2	6	5	3	5	3
13,000 or under	14,000	1	6	3	4	3	2
14,000 or under	15,000	5	7	6	5	4	5
15,000 or under	16,000	2	4	3	2	2	2
16,000 or under	17,000	1	1	.....	1	4	3
17,000 or under	18,000	1	2	.....	1	2	2
18,000 or under	19,000	2	2	2	1	1	1
19,000 or under	20,000	2	2	1	.....	.....	.....
20,000 or under	25,000	6	5	7	2	3	3
25,000 or under	30,000	7	2	2	2	3	5
30,000 or under	35,000	.....	1	1	3	1	1
35,000 or under	40,000	2	1	1	2	2	3
40,000 or under	45,000	1	2	1	.....	.....	.....
45,000 or under	50,000	1	1	1	1	1	.....
50,000 or under	100,000	2	4	2	1	1	2
100,000 or under	200,000	.....	.....	.....	.....	.....	.....
200,000 or under	300,000	.....	.....	.....	.....	.....	.....
300,000 or under	400,000	.....	.....	.....	.....	.....	.....
400,000 or under	500,000	.....	.....	.....	.....	.....	.....
500,000 or over		.....	.....	.....	.....	.....	.....
Total number of lots with areas reported		742	2,587	3,084	3,196	3,189	3,151
Number of lots with areas not reported		1,583	50	33	34	15	18
Total number of lots		2,325	2,637	3,117	3,230	3,204	3,169

NUMBER OF LOTS IN EACH WARD AT EACH PERIOD, BY CLASSIFIED AREAS, 1855 TO 1900—Concluded.

**WARDS 24 AND 34.**

Areas (square feet).	1855.	1865.	1875.	1885.	1895.	1900.
Under 500.....		1	84	63	135	115
500 or under 1,000.....	3	31	1,175	1,771	4,225	5,842
1,000 or under 1,500.....	18	85	1,041	1,830	5,111	7,315
1,500 or under 2,000.....	24	139	935	1,047	2,740	4,030
2,000 or under 2,500.....	36	177	648	504	1,087	1,324
2,500 or under 3,000.....	29	111	504	453	849	1,015
3,000 or under 3,500.....	16	107	349	212	466	556
3,500 or under 4,000.....	23	63	237	110	255	285
4,000 or under 4,500.....	23	115	185	100	194	204
4,500 or under 5,000.....	8	226	183	78	197	216
5,000 or under 5,500.....	41	120	176	71	152	176
5,500 or under 6,000.....	19	59	100	45	113	131
6,000 or under 6,500.....	22	59	125	36	110	137
6,500 or under 7,000.....	8	45	75	40	88	110
7,000 or under 7,500.....	19	52	55	25	42	41
7,500 or under 8,000.....	16	46	87	36	74	90
8,000 or under 8,500.....	10	57	70	24	39	58
8,500 or under 9,000.....	15	19	43	11	36	37
9,000 or under 9,500.....	17	60	73	25	58	60
9,500 or under 10,000.....	4	28	40	18	40	40
10,000 or under 11,000.....	41	95	73	21	60	86
11,000 or under 12,000.....	22	38	80	14	73	73
12,000 or under 13,000.....	10	38	57	18	40	55
13,000 or under 14,000.....	2	36	42	13	41	37
14,000 or under 15,000.....	10	14	25	13	31	38
15,000 or under 16,000.....	22	29	35	9	35	46
16,000 or under 17,000.....	8	22	38	16	21	40
17,000 or under 18,000.....	12	7	15	8	16	23
18,000 or under 19,000.....	6	32	34	10	18	20
19,000 or under 20,000.....	6	9	28	8	30	23
20,000 or under 25,000.....	39	62	91	28	103	102
25,000 or under 30,000.....	22	32	61	35	51	46
30,000 or under 35,000.....	41	44	53	13	49	58
35,000 or under 40,000.....	14	10	16	8	27	32
40,000 or under 45,000.....	20	20	30	8	31	31
45,000 or under 50,000.....	6	10	10	3	16	19
50,000 or under 100,000.....	63	60	119	28	90	84
100,000 or under 200,000.....	55	63	69	6	74	59
200,000 or under 300,000.....	26	28	32	3	24	31
300,000 or under 400,000.....	31	19	17	1	22	22
400,000 or under 500,000.....	20	16	10	2	12	11
500,000 or over.....	223	91	70	.....	60	47
Total number of lots with areas reported.....	1,050	2,375	7,190	6,764	16,935	22,765
Number of lots with areas not reported.....	1,005	503	82	20	74	179
Total number of lots.....	2,055	2,878	7,272	6,784	17,009	22,944

These tables show strikingly the progress of subdivision of land. The number of small lots has increased—in some cases a hundred-fold or more. At the same time, the increase in the number of holders, especially of lots of small area, shows a wide distribution of these small lots among owners of modest means.

In the residence wards the progress of subdivision has been practically in parallel lines, though in West Philadelphia the quantities are in larger terms, as befits the better-to-do population. In Wards 1 and 39, in 1900, 88 per cent of holders held areas under 4,000 square feet. Heavy emphasis is laid on the very small lot, about 15 by 50 to 70 feet. The typical Philadelphia lot, above the level of the workingman's home, is one from 20 to 25 feet frontage and from 75 to 150 feet

depth. This standard of size leads in Wards 8, 24, and 34. In Wards 1, 39, 24, and 34 there are still large areas undivided. In Wards 1 and 39, in 1855, 81 holders held plots of 5 acres (<sup>a</sup>) or over. In 1900 this was true of 54 holders, but the number of those holding the largest areas had lessened but slightly, the holders of plots of 12 acres or over being but 35 in 1855 and 30 in 1900.

The areas not reported and discrepancies which are apparent in comparisons of the figures of the two tables show that the assessors are by no means overaccurate in their work.

In the development of a city from farming land we have seen, in the case of Philadelphia, certain phenomena which we may regard as typical and anticipate in any investigation of urban growth.

First. In the general rise of values the per cent of increase in the average value of property held by each owner is less than the per cent of increase in the total value of property. It is also noticed that the higher values of the series move upward more slowly than the lower. In Ward 8 the starting point of value chosen for 1855 was "under \$500." In 1855 Ward 8 had 49 holders of values under \$500. In twenty years 45 of these holders had disappeared. In the following ten years 3 more had vanished. For the last fifteen years of the total period observed, 1 such holder has persisted. The number of tiny lots has increased fifteen fold, but their owners must now be classed as among the "over \$500" holders. Again, in Ward 8, at the beginning of our period, the greatest concentration of holders was found at values ranging from \$500 to \$1,500. At the end of the period the concentration had shifted to values of from \$20,000 to \$25,000.

Second. In the differentiation in values in business and residence real estate the transition from farm to residence use brings tremendous change in values, but the values placed on land as the standing ground for modern commercial activities are written in figures so large that for the ordinary mind they have no intelligible concrete quality. This phenomenon is far more marked within the last two decades than previously, and as an economic fact belongs with the concentration of capital which has meant the development of huge corporate business organizations. To gain full knowledge on this point a close study of limited areas must be undertaken and the assessors' valuations must be supplemented by records of transfer, statements of lease value, and so on. It would not be easy to reach all the facts necessary for completing such a study.

Third. In the relation of value to population the distinction of use is significant. In residence use the population and value move upward together, but the rate of increase in value far outstrips the rate of increase in population. In business use, however, population and value take different directions, the latter advancing by leaps and

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<sup>a</sup>The tables give all areas in square feet. The corresponding value in acres is given approximately only, as a more familiar form for large areas.

bounds, while the former decreases. It is true that a consideration of a large area, as a whole city, equalizing the distribution of the population, tends to lessen the apparent force of this distinction of use as affecting value, and to magnify the effect of population as the most important factor in the increase of value. In the large this is a correct position, but in the more detailed and local sense business use segregates an area of its own within which a study of values presents facts which do not emerge in residence sections, even under conditions of overcrowding as acute as the world has yet known.

Some other points may be observed in which it would seem probable that Philadelphia's development might not be repeated in other cities. In the residence wards, for example, the rate of increase in the number of owners is far higher than the rate of increase of the population, but not so high as the rate of increase in the subdivision of area. It is probable that relatively to other cities a large proportion of the citizens are landholders. Naturally no large proportion of holders can be classed as "land rich," since, in the residence wards, where the number of owners is on the rapid increase, 72 per cent (Wards 24 and 34) and 86 per cent (Wards 1 and 39) are below the \$5,000 value level.

The most interesting question involved at the present time in an investigation such as this is the question as to tendencies toward concentration or the contrary, of the land wealth of the community. In a sense it seems a disappointment to be unable to reach a final dictum on this point. Both tendencies are evident. In the residence wards the tendency to concentration is hardly distinguishable among the ten largest holders. Indeed, within this arbitrarily limited area the contrary tendency prevails in well-to-do West Philadelphia. Making the top section include 1 per cent of owners, however, we arrive at remarkably similar results, as previously noted, 1 per cent of owners holding approximately one-quarter of the land values in all the wards examined. In business values the movement toward concentration is evident within the narrower section, 10 owners now holding 14.30 per cent of the values of Ward 8, as against 8.09 per cent in 1855 and 9.44 per cent in 1885. This is a large gain, especially when it is remembered that just at this point allowance must be made, at least more than in other parts of the city, for undervaluation. More than one careful observer believes that the last fifteen years have brought an unusual amount of investment in real estate in the business section of this city by men of great wealth, who have thus evidenced their belief in the stability and security of real estate as a permanent investment. This would account reasonably for the heavy recent percentages of increase just mentioned, which otherwise seem rather out of proportion to the general conditions. On the other hand, dropping from the levels of great wealth to those of moderate and small means, the tendency to a widening dis-

tribution seems marked. Investment of large sums of money in residence property is not so attractive as in the case of business properties. The liking for the ownership of his own home is characteristic of the Philadelphian, and the number of owners, throughout our whole period, has increased at a far more rapid rate than has the population. It may be that there lies, somewhere between the mass of small holders and the 1 per cent of holders having largest holdings, a line of division of tendency. Above that line wealth seeks to secure itself an assured existence and finds the form for this condition in large holdings of land; below that line a desire for a like security and stability of domestic life leads to a general investment of small amounts in real estate, thus insuring a constantly widening distribution and ownership within this area of limited incomes. It may be surmised that, at least in the city under observation, some such line of demarcation divides the higher table lands of opulence from the lower valleys of moderate comfort and of struggling thrift. If so, the data of this study are not adequate to determine its location and nature.

## **AGREEMENTS BETWEEN EMPLOYERS AND EMPLOYEES.**

[It is the purpose of this Bureau to publish from time to time important agreements made between large bodies of employers and employees with regard to wages, hours of labor, etc. The Bureau would be pleased to receive copies of such agreements whenever made.]

### **ARBITRATION AGREEMENT BETWEEN AMERICAN NEWSPAPER PUBLISHERS' ASSOCIATION AND INTERNATIONAL TYPOGRAPHICAL UNION.**

**SECTION 1.** On and after May 1, 1902, and until May 1, 1907, any publisher who is a member of the American Newspaper Publishers' Association, employing union labor in any department or departments of his office under a contract or contracts, written or verbal, with a local union or unions affiliated with the International Typographical Union where such contracts have been approved by the president of the latter organization, as well as under all contracts in force on May 1, 1901, shall have the following guarantees:

a. He shall be protected under such contract or contracts by the International Typographical Union against walk-outs, strikes, boycotts, or any other form of concerted interference with the peaceful operation of the department or departments of labor so contracted for, by any union or unions with which he has contractual relations; provided such publisher shall enter into an agreement with the International Typographical Union to arbitrate all differences that may arise under said verbal or written contracts between said publisher and the local union affecting union employees in said department or departments, if such said differences can not be settled by conciliation.

b. All disputes arising over scale provisions relating to wages and hours in renewing or extending contracts shall likewise be subject to arbitration under the provisions of this agreement, if such disputes can not be adjusted through conciliation.

It is expressly understood that contracts hereafter entered into by publishers with allied trades councils shall not be recognized as coming under the terms of this agreement.

**SEC. 2.** The International Typographical Union further agrees to arbitrate any and all differences that may arise in the mechanical departments of any newspaper, member of the American Newspaper Publishers' Association, which shall enter into an agreement to that effect; provided all departments of said newspaper under the jurisdiction of the International Typographical Union are strictly union departments and are so recognized.

**SEC. 3.** The question whether a department shall be union or non-union shall not be classed as a "difference" to be arbitrated.

**SEC. 4.** If conciliation between the publisher and a local union fails, then provision must be made for local arbitration. If local arbitration

or arbitrators can not be agreed upon, all differences shall be referred, upon application of either party, to the National Board of Arbitration. In case a local board of arbitration is formed, and a decision rendered which is unsatisfactory to either side, then review by the National Board of Arbitration may be asked for by the dissatisfied party, provided notice to the other party to that effect is given within fifteen days thereafter. It shall be optional with the board to grant or deny such review as the facts in the case may warrant.

SEC. 5. In case a review is granted, as provided in section 4, the National Board of Arbitration shall not take evidence except by a majority vote of the board, but both parties to the controversy may be required to submit records and briefs, and to make oral or written arguments (at the option of the board), in support of their several contentions. They may submit an agreed statement of facts, or a transcript of testimony properly certified to, before a notary public by the stenographer taking the original evidence or depositions.

SEC. 6. Pending final decision, work shall be continued in the office of the publisher, party to the case, and the award of the National Board of Arbitration shall, in all cases, include a determination of the issues involved, covering the period between the raising of the issues and their final settlement; and any change or changes in the wage scale of employees may, at the discretion of the board, be made effective from the date the issues were first made.

SEC. 7. Union departments shall be understood to mean such as are made up wholly of union employees, in which union rules prevail, and in which the union has been formally recognized by the employer.

SEC. 8. This agreement shall apply to individual members of the American Newspaper Publishers' Association or local associations of publishers accepting it and the rules drafted hereunder, at least sixty (60) days before a dispute shall arise.

SEC. 9. The National Board of Arbitration shall consist of the president of the International Typographical Union and the commissioner of the American Newspaper Publishers' Association, or their proxies, and in the event of a failure to reach an agreement, these two shall select a third member in each dispute, the member so selected to act as chairman of the board. The finding of the majority of the board shall be final, and shall be accepted as such by the parties to the dispute under consideration.

SEC. 10. In the event of either party to the dispute refusing to accept and comply with the decision of the National Board of Arbitration, all aid and support to the firm or employer, or local union refusing acceptance and compliance, shall be withdrawn by both parties to this agreement. The acts of such recalcitrant employer or union shall be publicly disavowed, and the aggrieved party to this agreement shall be furnished by the other with an official document to that end.

SEC. 11. The said National Board of Arbitration must act, when its services are desired by either party to a dispute as above, and shall proceed with all possible dispatch in rendering such services.

SEC. 12. All expenses attendant upon the settlement of any dispute, except the personal expenses of the commissioner of the American Newspaper Publishers' Association and the president of the International Typographical Union, shall be borne equally by the parties to the dispute.

SEC. 13. The conditions obtaining before the initiation of the dispute shall remain in effect pending the finding of the local or of the National Board of Arbitration.

SEC. 14. The following rules shall govern the National Board of Arbitration in adjusting differences between parties to this agreement:

1. It may demand duplicate typewritten statements of grievances.
2. It may examine all parties involved in any differences referred to it for adjudication.
3. It may employ such stenographers, etc., as may be necessary to facilitate business.
4. It may require affidavit on all disputed points.
5. It shall have free access to all books and records bearing on points at issue.
6. Equal opportunities shall be allowed for presentation of evidence and argument.
7. Investigations shall be conducted in the presence of the representatives of both parties.
8. The deliberations shall be conducted in executive session, and the findings, whether unanimous or not, shall be signed by all members of the board in each instance.
9. In the event of either party to the dispute refusing to appear or present its case after due notice, it may be adjudicated in default, and findings rendered against such party.
10. All evidence communicated to the board in confidence shall be preserved inviolate, and no record of such evidence shall be kept.

SEC. 15. The form of contract to be entered into by the publisher and the International Typographical Union shall be as follows:

#### CONTRACT.

It is agreed between \_\_\_\_\_ publisher and proprietor of the \_\_\_\_\_, and \_\_\_\_\_, duly authorized to act in its behalf, party of the first part, and the International Typographical Union, by its president, duly authorized to act in its behalf and also in behalf of \_\_\_\_\_ Union of \_\_\_\_\_, as follows:

That any and all disputes that may arise—

1. Under any contract, verbal or written, in force May 1, 1901.
2. Under any contract, verbal or written, approved by the president of the International Typographical Union.
3. All disputes arising over scale provisions relating to wages and hours in renewing and extending contracts between \_\_\_\_\_ publisher(s) or proprietor(s) and the \_\_\_\_\_ union(s), or any member thereof, now operating in the \_\_\_\_\_ department(s) of the \_\_\_\_\_ shall first be settled by conciliation between the publisher and the authorities of the local union, if possible. If not, the matter shall be referred to arbitration, each party to the controversy to select one arbitrator, and the two thus chosen to select a third, the decision of a majority of such board of arbitration to be final and binding upon both parties, except as hereinafter provided for.

If local arbitration or arbitrators can not be agreed upon, all differences shall be referred, upon application of either party, to the National Board of Arbitration, consisting of the president of the International Typographical Union and the commissioner of the American Newspaper Publishers' Association, or their proxies; and if the board thus constituted can not agree, it shall be authorized to select an addi-

tional member, and the decision of a majority of this board, thus constituted, shall be final and binding upon both parties.

Pending arbitration and decision thereunder work shall be continued as usual in the office of the publisher(s) part—to this agreement, and the award of the arbitrators shall, in all cases, include a determination of the issues involved covering the period between the raising of the issues and the final settlement, and any change or changes in the wage scale of employees, or other ruling, may, at the discretion of the arbitrators, be made effective from the date the issues were first made.

In case a local board of arbitration is formed, and a decision rendered which is unsatisfactory to either side, then a review may be asked of the National Board of Arbitration by the dissatisfied party. Pending decision under such review from a local board of arbitration, work shall be continued as usual in the office of the publisher(s), part—to the case, and the award of the National Board of Arbitration shall, in all cases, include a determination of the issues involved, covering the period between the raising of the issues and their final settlement; and any change or changes in the wage scale of employees, may, at the discretion of the board, be made effective from the date the issues were first made.

In consideration of the agreement by the said publisher(s) or proprietor(s) to arbitrate all differences as provided for herein with the \_\_\_\_\_ union(s), the International Typographical Union agrees to underwrite the said contract and guarantee \_\_\_\_\_ fulfillment on the part of \_\_\_\_\_ union(s).

It is expressly understood and agreed that the sections numbered from one to sixteen inclusive, of the agreement between the American Newspaper Publishers' Association and the International Typographical Union hereunto attached shall be considered an integral part of this contract, and shall have the same force and effect as though set forth in the contract itself.

This contract shall be in full force and effect from \_\_\_\_\_, 1902, to the first day of May, 1907, unless amended sooner by mutual consent.

In witness whereof, the undersigned publisher(s) or proprietor(s) of the said newspaper and the president of the International Typographical Union have hereunto affixed their respective signatures, in triplicate this \_\_\_\_\_ day of \_\_\_\_\_, 190—.

*Publisher(s) or Proprietor(s)* \_\_\_\_\_

*President International Typographical Union.*

Witness, as to publisher.

\_\_\_\_\_  
Witness, as to president,  
\_\_\_\_\_

SEC. 16. This covenant between the International Typographical Union and the American Newspaper Publishers' Association shall remain in effect from the 1st day of May, 1902, to the 1st day of May, 1907, but amendments may be proposed to this agreement by either party thereto at least ninety days before the 1st day of May in any year, and on acceptance by the other party to the agreement, shall become a part thereof.

Now, therefore, it is mutually agreed as follows:

First. This agreement shall be published simultaneously by the two bodies at such time as may hereafter be decided upon.

Second. The agreement shall be submitted for ratification to the American Newspaper Publishers' Association at its annual meeting in February, 1902, and immediately thereafter to the executive council of the International Typographical Union. If formally ratified as a whole by both bodies, it shall become effective on May 1, 1902, and remain in full force and effect for five years thereafter, unless mutually amended sooner as therein provided for.

In witness whereof, we have hereunto affixed our signatures this 3d day of January, 1902.

(Signed)

A. A. McCORMICK, *Chairman.*

M. J. LOWENSTEIN,

*For the special standing committee of the American  
Newspaper Publishers' Association.*

FREDERICK DRISCOLL,

*Commissioner.*

JAMES M. LYNCH,

C. E. HAWKES,

HUGO MILLER,

J. W. BRAMWOOD,

*For the International Typographical Union.*

The attached agreement was unanimously approved of by the American Newspaper Publishers' Association at its annual convention on February 19, 1902, and subsequently the same was approved by the executive council of the International Typographical Union, acting under authority from the International Typographical Union convention.

W. C. BRYANT, *Secretary.*

## ARBITRATION AGREEMENT BETWEEN AMERICAN NEWS-PAPER PUBLISHERS' ASSOCIATION AND INTERNATIONAL PRINTING PRESSMEN'S AND ASSISTANTS' UNION.

SECTION. 1. On and after May 1, 1902, and until May 1, 1907, any publisher who is a member of the American Newspaper Publishers' Association employing union labor in the pressroom of his office, under an existing contract, either written or verbal, with a local pressmen's union chartered by the International Printing Pressmen's and Assistants' Union, shall be protected under such contract by the International Printing Pressmen's and Assistants' Union against walk-outs, strikes, boycotts, or any other form of concerted interferences with the peaceful operation of labor in his press rooms so contracted for by said local pressmen's union. Likewise in case of the termination of said contracts, labor in said press rooms shall be continued by said union, and if differences arise in the framing of a new contract as to wages, hours, etc., they shall be settled first by conciliation, if possible, and if not, then by arbitration, as provided in this agreement.

*Provided,* The said publisher shall enter into an agreement with the International Printing Pressmen's and Assistants' Union to arbitrate all differences that may arise between the said publisher and the mem-

bers of the Pressmen's Union in his employment, in case said differences can not first be settled by conciliation and mutual agreement.

SEC. 2. If conciliation between the publisher and the local union fails, then provision must be made for local arbitration. If local arbitration or arbitrators can not be agreed upon, all differences shall be referred, upon application of either party, to the International Board of Arbitration. In case a local board of arbitration is formed, and a decision rendered which is unsatisfactory to either side, then an appeal may be taken to the International Board of Arbitration by the dissatisfied party.

SEC. 3. In cases of appeal from a local board of arbitration, the International Board of Arbitration shall not take evidence, except by a majority vote of the board; but the appellant and the appellee may be required to submit records and briefs, and to make oral or written arguments (at the option of the board) in support of their respective contentions. The parties to the controversy may submit an agreed statement of facts, or a transcript of testimony properly certified to, before a notary public, by the stenographer taking the original evidence or depositions.

SEC. 4. Pending decision under such appeal, work shall be continued in the press room of the publisher, party to the case, and the award of the International Board of Arbitration shall, in all cases, include a determination of the issues involved, covering the period between the raising of the issues and the final settlement; and any change or changes in the wage scale of employees, may, at the discretion of the board, be made effective from the date the issues were first made.

SEC. 5. If in case any number of newspaper publishers of any city forming a local publishers' association enter into contract verbal or written with the Pressmen's Union of said city under the jurisdiction of the International Printing Pressmen's and Assistants' Union, then, and in that case, such association shall enjoy all the rights and be subjected to all the obligations hereby applying to any individual publisher as noted above.

SEC. 6. Employers whose press rooms are operated by members of the Pressmen's Union under the jurisdiction of the International Printing Pressmen's and Assistants' Union, and in which press rooms disputes or differences arise which can not be settled locally, shall have the right to demand the services of the International Board of Arbitration.

SEC. 7. In like manner local unions of the International Printing Pressmen's and Assistants' Union, becoming involved in disputes with a publisher concerning the operating of the press rooms heretofore described, and which can not be settled locally, shall have the right to demand the services of the International Board of Arbitration.

SEC. 8. The words "union press rooms" as herein employed shall be construed to refer only to such press rooms as are operated wholly by union employees, in which union rules prevail, and in which the union has been formally recognized by the employer.

SEC. 9. It is understood that this agreement shall apply to individual members of the American Newspaper Publishers' Association, or publishers connected with its labor bureau, or local associations of publishers accepting it and the rules drafted hereunder, at least thirty days before a dispute shall arise.

SEC. 10. The International Board of Arbitration shall consist of the president of the International Printing Pressmen's and Assistants' Union and the commissioner of the American Newspaper Publishers' Association, or their proxies, and in the event of failure to reach an agreement, these two shall select a third member in each dispute, the member so selected to act as chairman of the board. The finding of a majority of the board shall be final, and shall be accepted as such by the parties to the dispute under consideration.

SEC. 11. In the event of either party to the dispute refusing to accept and comply with the decision of the International Board of Arbitration, all aid and support to the firm or employer or local union refusing acceptance and compliance, shall be withdrawn by both parties to this agreement. The acts of such recalcitrant employer or union shall be publicly disavowed, and the aggrieved party to this agreement shall be furnished by the other with an official document to that effect.

SEC. 12. The said International Board of Arbitration must act, when its services are desired by either party to a dispute as above, and shall proceed with all possible dispatch in rendering such service.

SEC. 13. All expense attendant upon the settlement of any dispute, except the personal expenses of the president of the International Printing Pressmen's and Assistants' Union and of the commissioner of the American Newspaper Publishers' Association, shall be borne equally by the parties to the dispute.

SEC. 14. The conditions obtaining before the initiation of the dispute shall remain in effect pending the finding of the local or International Board of Arbitration.

SEC. 15. The following rules shall govern the International Board of Arbitration in adjusting differences between parties to this agreement:

1. It may demand duplicate typewritten statements of grievances.
2. It may examine all parties involved in any differences referred to it for adjudication.
3. It may employ such stenographers, etc., as may be necessary to facilitate business.
4. It may require affidavit on all disputed points.
5. It shall have free access to all books and records bearing on points at issue.
6. Equal opportunity shall be allowed for presentation of evidence and argument.
7. Investigation shall be conducted in the presence of representatives of both parties.
8. The deliberations of the board shall be conducted in executive session, and the findings, whether unanimous or not, shall be signed by all members of the board in each instance.
9. In the event of either party to the dispute refusing or failing to appear or present its case after due notice, it may be adjudged in default and findings rendered against such party.
10. All evidence communicated to the board in confidence shall be preserved inviolate and no record of such evidence shall be kept.

SEC. 16. The form of contract to be entered into by the publishers and the International Printing Pressmen's and Assistants' Union shall be as follows:

## FORM OF CONTRACT.

It is agreed between \_\_\_\_\_, publisher(s) or proprietor(s) of the \_\_\_\_\_ of \_\_\_\_\_, by \_\_\_\_\_, duly authorized to act in its behalf, party of the first part, and the International Printing Pressmen's and Assistants' Union, party of the second part, by its president, duly authorized to act in its behalf, and also in behalf of the \_\_\_\_\_ Pressmen's Union, No. \_\_\_\_\_, of \_\_\_\_\_, as follows:

That any and all disputes or differences that may arise between \_\_\_\_\_ publisher(s) or proprietor(s) and Pressmen's Union No. \_\_\_\_\_, or any member thereof employed in the press room department of the \_\_\_\_\_, shall first be settled by conciliation between the publisher and the authorities of the local union if possible. If not, the matter shall be referred to arbitration, each party to the controversy to select one arbitrator, and the two thus chosen to select a third, the decision of a majority of such board of arbitration to be final and binding upon both parties, except as hereinafter provided for.

If local arbitration or arbitrators can not be agreed upon, all differences shall be referred, upon application of either party, to the International Board of Arbitration, consisting of the president of the International Printing Pressmen's and Assistants' Union and the commissioner of the American Newspaper Publishers' Association, or their proxies; and if the board thus constituted, can not agree, it is hereby authorized to select an additional member, and a decision of the majority of this board, thus constituted, shall be final and binding upon both parties.

Pending arbitration and decision thereunder, work shall be continued as usual in the press room of the publisher party to this agreement, and the award of the arbitrators shall, in all cases, include a determination of the issues involved, covering the period between the raising of the issues and the final settlement, and any change or changes in the wage scale of the employees, or other ruling, may, at the discretion of the arbitrators, be made effective from the date the issues were first made.

In case a local board of arbitration is formed and a decision rendered which is unsatisfactory to either side, then an appeal may be taken to the above-described International Board of Arbitration by the dissatisfied party. Pending decision under such appeal from a local board of arbitration, work shall be continued as usual in the press room of the publisher, party to the case, and the award of the International Board of Arbitration shall in all cases include a determination of the issues involved, covering the period between the raising of the issues and their final settlement, and any change or changes in the wage scale of the employees may, at the discretion of the board, be made effective from the date the issues were first made.

In consideration of the agreement by the said publisher(s) or proprietor(s) to arbitrate all differences arising under existing verbal or written contracts, or during the period intervening between the termination of the latter and the execution of new contracts, with the Pressmen's Union No. \_\_\_\_\_ of \_\_\_\_\_, the International Printing Pressmen's and Assistants' Union hereby agrees to underwrite the said existing contract, and guarantees its fulfillment, together with the peaceful adjustment on terms above stated, of all difficulties otherwise arising on the part of the said Pressmen's Union No. \_\_\_\_\_ of \_\_\_\_\_.

It is expressly understood and agreed that sections numbered from one to seventeen, inclusive of the agreement between the American Newspaper Publishers' Association and the International Printing Pressmen's and Assistants' Union, hereunto attached, shall be considered an integral part of this contract, and shall have the same force and effect as though set forth in the contract itself.

This contract shall be in full force and effect from \_\_\_\_\_ day of \_\_\_\_\_, 1902, to 190\_\_\_\_, unless terminated sooner by mutual consent, and thereafter upon ninety days' written notice from either party to this agreement.

In witness whereof, the undersigned publisher(s) or proprietor(s) of the said newspaper, and the president of the International Printing Pressmen's and Assistants' Union, have hereunto affixed their respective signatures this \_\_\_\_\_ day of \_\_\_\_\_, 1902.

Sec. 17. This covenant between the International Printing Pressmen's and Assistants' Union and the American Newspaper Publishers' Association shall remain in effect from the first day of May, 1902, to the first day of May, 1907, but amendments may be proposed to this agreement by either party thereto, at least ninety days before the first of May in any year, and on acceptance by the other party to the agreement, shall become a part thereof.

Now, therefore, it is mutually agreed as follows:

First. This agreement shall be published simultaneously by the two bodies at such time as may hereafter be decided upon.

Second. The agreement shall be submitted for ratification to the American Newspaper Publishers' Association at its annual meeting in February, 1902, and immediately thereafter to the referendum of the International Printing Pressmen's and Assistants' Union. If formally ratified as a whole by both bodies, it shall become effective on May 1, 1902, and remain in full force and effect for five years thereafter unless mutually amended sooner as therein provided for.

In witness whereof, we have hereunto affixed our signatures this twentieth day of January, 1902.

A. A. MCCORMICK, *Chairman.*

M. J. LOWENSTEIN,

*For the special standing committee of the American  
Newspaper Publishers' Association.*

FREDERICK DRISCOLL,

*Commissioner.*

MARTIN P. HIGGINS,

EDWIN A. BAULSIR,

D. J. McDONALD,

W. H. BURKLIN,

W. J. WEBB,

*For the board of directors of the International Printing  
Pressmen's and Assistants' Union.*

The attached agreement was unanimously approved of by the American Newspaper Publishers' Association at its annual convention on February 19, 1902, and subsequently the same was approved by the referendum of the International Printing Pressmen's and Assistants' Union by a large majority.

W. C. BRYANT, *Secretary.*

**AGREEMENT BETWEEN UNITED TYPOTHETÆ OF AMERICA AND INTERNATIONAL PRINTING PRESSMEN AND ASSISTANTS' UNION.**

This agreement, made and entered into this twenty-fifth day of March, 1903, by and between the United Typothetæ of America and the International Printing Pressmen and Assistants' Union, for the purpose of establishing between the employing printers of the United States and their pressmen and feeders uniform shop practices and fair scales of wages, settlement of all questions arising between them, and the abolition of strikes, sympathetic or otherwise, lockouts and boycotts,

Witnesseth, that any question arising between a local Typothetæ or affiliated association of employers and their pressmen or feeders in regard to wages or shop practices shall be referred to the local conference committee, made up equally of representatives from the local Typothetæ and the local union. Should this committee be unable to agree, or should one of the parties consider itself aggrieved by said committee's findings, either party to the conference may refer the question at issue to the national conference committee, which national conference committee shall act as hereinafter set forth.

Both local and national conference committees, in settling questions of shop practice, shall aim at the establishment of uniform shop practice throughout the United States and Canada. Unless special contracts to the contrary exist, any finding of the national committee in regard to shop practice shall be binding upon local organizations.

A ruling upon a question of shop practice shall be made within three months after the presentation of such question to the conference committee of either side, and such ruling when once established by said committee shall not be reconsidered within two years.

Any change in the scale of wages shall be settled by conference or arbitration within four months after the first request for consideration, but shall not go into effect until one year after the first request for consideration; and no scale of wages shall be changed oftener than once in three years; provided, however, that all such scales of wages shall terminate with the expiration of this contract unless specifically agreed to the contrary.

All present contracts between the local Typothetæ or affiliated organizations of employers and their pressmen and feeders shall continue in force until their natural expiration.

A contract accepting a particular scale of wages does not include the acceptance of any rules in the union in regard to shop practice not specially mentioned in said contract.

The International Printing Pressmen and Assistants' Union shall not engage in any strike, sympathetic or otherwise, or boycott, unless the employer fails to live up to this contract, it being understood that the employer fulfills all the terms of this contract by paying the scale of wages and living up to the shop practices as settled by the committee, regardless of his employees' union affiliations; no employer shall engage in any lockout unless the union or members thereof fail to live up to this contract; the conference or arbitration committee to be the final judge of what constitutes a failure to live up to this contract.

Pending investigation or arbitration, the men shall remain at work. The conference committee shall fix the time when any decision shall take effect, except the question of wages, which is heretofore provided for.

In the event of either party to the dispute refusing to accept and comply with the decision of the National Board of Arbitration, all aid and support to the firm or employer or local union so refusing acceptance and compliance shall be withdrawn by both parties to this agreement. The acts of such recalcitrant employer or union shall be publicly disavowed, and the aggrieved party to this agreement shall be furnished by the other with an official document to that effect.

In the event of a strike in a non-Typothetæ office, if it is proven to the local conference committee that such office is not complying with the shop rules and practices and scale of wages in accordance with the terms of this contract, no assistance shall be given to such office by Typothetæ members.

This agreement shall continue in full force and effect until May 1, 1907. It is expressly agreed that during the life of this contract fifty-four hours shall constitute a week's work. Notice of any desired changes in the contract must be given by either party to the contract at least three months prior to the expiration thereof.

**Manner of arbitration:** Each party to this contract shall appoint two of its members who shall be known as its members of the National Board of Conference and Arbitration. These members may be changed at the will of the respective parties except during the negotiation of any particular question, during which time the membership of such board shall continue the same. In case of the death of any member of such board during the consideration of a question, the place of such deceased member shall be filled by his party, and the entire proceeding shall thereupon begin again. This board shall meet upon a request of the president or presiding officer of either party at some point to be mutually agreed upon, within one month of such request, and shall take such evidence as it may consider bears upon the subject in hand. A majority of votes cast upon any question shall be binding upon both parties to this agreement. Should the vote upon any question result in a tie, this board shall select a fifth person to act as arbitrator, who shall for this particular question act as a member of such board, and the decision of such constituted board shall be binding upon the parties hereto.

Signed in duplicate.

UNITED TYPOTHETÆ OF AMERICA,  
[SEAL.] By EDWARD STERN, *President.*  
EDWIN FREEGARD, *Secretary.*

INTERNATIONAL PRINTING PRESSMEN AND ASSISTANTS' UNION,  
By MARTIN P. HIGGINS, *President.*  
W.M. J. WEBB, *Secretary.*

#### AGREEMENT BETWEEN MASTER BRICKLAYERS' B. AND P. ASSOCIATION AND INTERNATIONAL JOURNEYMEN BRICKLAYERS' UNIONS, NOS. 1, 2, AND 3, OF MISSOURI.

It is hereby agreed to by and between the Master Bricklayers' B. and P. Association and the International Journeymen Bricklayers' Unions Nos. 1, 2 and 3, of Missouri, for a period of one year, from April 1, 1903—

**FIRST.** That the minimum wages of bricklayers from April 1, 1903, shall be sixty-five cents (65 cents) per hour, and that eight hours shall constitute a day's work (excepting Saturday), from 8 a. m. to 5 p. m., for the months beginning March 1, and ending October 31, inclusive,

and from 8 a. m. to 4:30 p. m. for the months beginning November 1 and ending March 1, inclusive; Saturdays from 8 a. m. to 12 m.; one hour to be taken for dinner during the former months and one-half hour during the latter, not more than four hours to be worked during the forenoon or afternoon; Sunday work, night work and work done after the regular hours for quitting shall be considered overtime and shall be charged for at a double rate of wages. No work shall be done on Saturdays from 12 m. to 5 p. m. except where life or property is in danger, or in case of emergency. No work shall be performed on the following holidays: Fourth of July, Labor Day, and Christmas Day.

**SECOND.** That the unions as a whole or single union shall not order any strikes against the members of the Master Bricklayers' B. and P. Association, collectively or individually; nor shall any member [number] of union men leave the work of a member of the Master Bricklayers' B. and P. Association. All disputes arising between the parties to this agreement must be brought at once before the joint board of arbitration for settlement.

**THIRD.** That no member of the union shall be discharged for inquiring after the cards of the men working upon any job of a member of the Master Bricklayers' B. and P. Association, nor will the walking delegate be interfered with when visiting any building under construction.

**FOURTH.** Each contractor shall pay his men every Saturday before 12 m., in the lawful money of the United States. Should he fail to do so he shall be charged waiting time, the limit to be two days, ending the following Monday at the regular quitting time. When bricklayers are laid off for any cause they shall, upon their request, be paid in cash within two (2) hours after the lay-off. No member of the bricklayers' unions shall work for anyone not complying with all the rules and regulations herein agreed to.

**FIFTH.** Each contractor shall be allowed one apprentice to serve four years. After said apprentice has completed his third year of apprenticeship the master bricklayer will be permitted to employ another apprentice.

**SIXTH.** If a building shall be abandoned for any cause on which the wages of union bricklayers are unpaid, no member of the Master Bricklayers' B. and P. Association shall contract to complete the same until this debt is paid by the original or subsequent owner, or provided for in the contract. If a member of the Master Bricklayers' B. and P. Association is prevented from carrying out his contract on a building through insolvency of the owner or any other cause, no union bricklayer shall work on said building until the master bricklayers' contract has been equitably adjusted. Notice in writing stating amounts due in dispute must be filed with the secretary of the Master Bricklayers' B. and P. Association within two weeks of the stoppage of the work, giving full particulars, the secretary to give proper notice to unions and their representatives at the beginning and ending of the questions in dispute.

**SEVENTH.** That not more than one member of any firm will be permitted to work on the wall and lay brick.

**EIGHTH.** No work shall be done which will destroy the true principle of the trade, such as laying brick dry without mortar, building hollow walls in violation of city ordinances, filling interior of walls with lumber or rubbish, neglecting to throw up cross-joints when work is exposed to view unless otherwise specified, or any act which will jeopardize the true interests of the trade. For an infraction of this rule

it shall become the duty of the parties to this agreement to report the same to the city authorities.

NINTH. That the arbitration board meet the 1st and 3d Mondays of each month at 8 p. m., at such place as may hereafter be designated.

TENTH. When journeymen bricklayers are employed by others than contractors legitimately engaged in the brick contracting business they shall demand and receive ten cents (10 cents) per hour over and above the regular scale of wages. Journeymen bricklayers may, however, work for manufacturers who employ bricklayers continuously at their plants at the regular scale of wages ("such firms to be registered with the several organizations").

MASTER BRICKLAYERS' B. AND P. ASSOCIATION.

JAS. PETTY.

W.M. McMAHON.

EUGENE BRUNK.

JOHN KENNEDY.

LEE REDMOND.

H. W. KIEL.

G. T. BARRY.

H. C. GILLICK.

GEORGE WARNER.

Jos. E. DOYLE.

THOS. ETHINGTON.

JOHN SCHMOLL.

HENRY HARTMAN, Jr.

B. BRINKMAN.

W.M. ENGEL.

HENRY GAUSCH.

JOHN PUDIG.

Jos. L. KOLLY, *Chairman.*

AGREEMENT BETWEEN MASTER BRICKLAYERS' B. AND P. ASSOCIATION AND BUILDING LABORERS' INTERNATIONAL PROTECTIVE UNION OF AMERICA, NO. 3, OF ST. LOUIS, MO.

It is hereby agreed to by and between the Master Bricklayers' B. and P. Association and the Building Laborers' International Protective Union of America, No. 3, of the city of St. Louis, Mo., for a period beginning with the signing of this agreement and ending June 29, 1905:

FIRST. That the wages from June 29, 1903, to June 29, 1905, will be as follows:

For brick carriers, forty-two and one-half cents ( $42\frac{1}{2}$  cents) per hour; for men working in mortar, forty-five cents (45 cents) per hour; that double time be allowed laborers for overtime while attending bricklayers, making mortar or working on holidays; that time and one-half be allowed laborers for overtime while making scaffolding or doing other work than attending bricklayers or making mortar.

SECOND. When laborers are laid off for a longer period than one day, they shall upon their request be paid in full within four (4) hours after said request. When laborers are discharged, they shall be paid immediately.

THIRD. Each contractor shall pay his men every Saturday before 12 m. in the lawful money of the United States. Should he fail to do so, he shall be charged waiting time, the limit of waiting time to be two (2) days ending the following Monday at the regular quitting time.

**FOURTH.** That eight (8) hours shall constitute a day's work (excepting Saturday), from 8 a. m. to 5 p. m. for the months from March 1 to October 31, and from 8 a. m. to 4.30 p. m. for the months from October 31 to March 1. One (1) hour to be taken for dinner during the former months and one-half ( $\frac{1}{2}$ ) hour during the latter. Not more than four (4) hours to be worked during the forenoon or afternoon, excepting in the case of starting up the work, when mortar men shall start not exceeding half-hour before the regular time, and in case of brick carriers stocking a new scaffold not more than ten (10) minutes to be given for that purpose. All work performed during the hours not mentioned in this section shall be considered overtime, and shall be paid for as provided in section 1 of this agreement.

No work shall be performed on the following holidays: Fourth of July, Labor Day, Thanksgiving and Christmas Day.

**FIFTH.** That an arbitration board of equal representation, not exceeding three (3) members from each party hereto, shall be appointed by their respective organizations, parties to this agreement, to whom all matters in dispute of any and every description arising between the parties hereto, shall be referred, and their decision shall be absolutely final and binding on all parties hereto.

In the event that said arbitration board are unable to agree upon a settlement of any difficulty which may arise, they shall have the power to select as an umpire some disinterested party, not in anyway connected with the building business, and his decision shall be accepted as final and binding on all parties hereto.

Pending the settlement of any difficulty the hod carriers shall not, individually or collectively, quit the work of a member of the Master Bricklayers' B. and P. Association, but shall immediately submit the matter in dispute in writing to the chairman of this board.

The arbitration board shall meet within two (2) weeks after the signing of this agreement and effect a permanent organization; meetings may thereafter be held at the call of the chairman after twenty-four (24) hours' notice has been given to each member of said board. The mailing of notices to the last-known address of each member shall be considered sufficient notice.

**SIXTH.** The hod carriers shall not work for anyone not complying with all of the conditions of this agreement.

**SEVENTH.** When taking material off of machines, brick carriers may take off mortar and mortar men take off brick without any change in their respective wages. No brick carrier to work in mortar before starting time, such as tempering up and stocking of boards. It being understood that a fair proportion of mortar men will be at all times employed.

**EIGHTH.** No changes of any kind shall be made to this agreement except by a majority vote of the board of arbitration.

In witness whereof the parties hereto have caused this agreement to be signed by their respective presidents and secretaries on this 17th day of June, 1903.

MASTER BRICKLAYERS' B. AND P. ASSOCIATION,

GEO. T. BARRY, *President.*

H. W. KIEL, *Secretary.*

BUILDING LABORERS' INT. PROTECTIVE UNION OF AMERICA, No. 3,

EDW. A. JONES, *President.*

WILLIAM GARRETT, *Secretary.*

ARBITRATION PLAN BETWEEN BUILDING TRADES EMPLOYERS' ASSOCIATION AND LABOR UNIONS IN NEW YORK CITY, ADOPTED JULY 3, 1903, AND EXPLANATORY CLAUSES ADOPTED JULY 9, 1903.

1. In general the employers and employees of each trade are organized. This applies particularly to the mechanics of the trade and those helpers' organizations from which the mechanics of that trade are largely derived.

2. Where an agreement exists between employers and employees all disputes in relation thereto shall be settled by a board of arbitration with an umpire, if necessary. The decision of said board or umpire shall be final. Should either side to the dispute fail to select an umpire, or fail to abide by the decision of the umpire, the dispute in question shall be referred to the general board of arbitration within twenty-four hours after such failure or refusal. The question of sympathetic strikes, or lockouts, and all questions as to the jurisdiction of trades must be referred to the general board of arbitration, it being agreed and understood that such kinds of work as have been heretofore recognized as being in the possession of a trade are not subjects for arbitration.

3. Each association represented in the Building Trades Employers' Association of the city of New York shall elect two arbitrators who shall serve for not less than six months.

4. Each union, the employers of which are represented in the Building Trades Employers' Association, shall elect two arbitrators who shall serve for not less than six months, and who shall be actively engaged in their trades for an employer in Greater New York at the time of their election.

5. The arbitrators from the unions shall not be business agents.

6. From this body of general arbitrators not less than four, two from the employers' association and two from the employees' unions, shall constitute a special arbitration board. They shall meet within twenty-four hours when notified so to do by the general secretary.

7. Those arbitrators from the unions who may be in the employment of members of this association are guaranteed reemployment by their firm or corporation when the special case on which they have served has been disposed of.

8. The unions as a whole or as a single union shall not order any strike against a member of the Building Trades Employers' Association collectively or individually, nor shall any number of union men leave the works of a member of the Building Trades Employers' Association, nor shall any member of the Building Trades Employers' Association lock out his employees before the matter in dispute has been brought before the general arbitration board and settled.

9. Complaints shall be first addressed to the general secretary of the arbitration board, who shall be a paid employee, and by him be referred to the executive committee of the general arbitration board composed of an equal number of employers and employees, and it shall be their duty at once to organize a special arbitration board to decide the point at issue.

10. It shall be the privilege of any union or member of the employers' association to select from all the general arbitrators the individuals they desire to act for them, but no general arbitrator can act when the dispute is occurring in the trade which he represents.

11. The general arbitrators must be given power by the interest they are acting for.

12. Arbitration papers are to be drawn up stating specifically the matter in dispute, and that both sides agree to abide by the vote of the majority of the board or the decision of an umpire. The umpire must be selected before the case is opened.

13. These papers must be properly signed and sealed by the members of the board, each side receiving its copy. Then after a careful hearing of the case stenographically reported, the verdict obtained by a majority vote or decision of the umpire, shall be final and binding.

14. After a few trials, precedents will be established, which can be used to strengthen the position of either side in subsequent trials, and can be quoted as in our courts of law.

15. The members of this association agree to employ members of the trade unions only, directly or indirectly, when parties to this agreement. It is understood, however, that in any case where a trade union is unable to provide sufficient workmen, the employer or employers in that trade may hire workmen, not members, who shall become members of the union, if competent. That after the date of the signing of this agreement, no union shall become a party to this agreement without the consent of the executive committee.

16. *Resolved* that the wages now paid in the unskilled trades shall not be reduced nor the hours increased for one year from the date of the general acceptance of this agreement. In any difficulty arising in the unskilled trades, they may, through the mechanics of that particular trade, have representation in the general arbitration board.

#### EXPLANATORY CLAUSES ADOPTED JULY 9, 1903.

*Be it resolved* that article 15 shall be interpreted as follows:

That the matter of supplying sufficient workmen shall be left to the arbitration board of the individual trade to be governed by its trade conditions, but that in case of continued failure on the part of the unions to supply sufficient workmen, any member of the Building Trades Employers' Association may refer the matter to the general arbitration board for settlement.

*Be it resolved* that it is understood and agreed to by this conference that the first clause of article 16 applies to skilled as well as unskilled trades.

It is understood and agreed that all existing trade agreements remain in full force, except in so far as they may conflict with the above arbitration plan.

## RECENT REPORTS OF STATE BUREAUS OF LABOR STATISTICS.

### MARYLAND.

*Eleventh Annual Report of the Bureau of Statistics and Information of Maryland, 1902.* Thomas A. Smith, Chief. viii, 372 pp.

The subjects presented in this report are the following: Cost of living and wages, 21 pages; strikes, 26 pages; organized labor, 5 pages; sweat shops, 83 pages; free employment agency, 8 pages; oyster industry, 17 pages; canning industry, 15 pages; agriculture, 11 pages; coal output for 1902, 4 pages; making of good roads, 6 pages; Maryland in the Twelfth Census, 94 pages; new incorporations, 19 pages; new legislation, 20 pages; taxation, 19 pages.

**COST OF LIVING AND WAGES.**—Statistics are presented showing the retail prices of coal, coal oil, and a number of food products in 1892, 1895, 1901, and 1902. The wages paid and hours of labor are shown for selected occupations in the building trades, railroad shops, and iron works for the years 1890 to 1902. The income and expenditures of 40 families are also given. A number of interviews with the families of workingmen close the discussion.

**STRIKES.**—During 1902 there occurred in the State 29 strikes, 16 of which were in the city of Baltimore. The question of wages entered into about 70 per cent of the 29 strikes, 15 of which were ordered by labor organizations and 14 undertaken by unorganized working people. Of the 15 strikes ordered by labor organizations 12 were successful, 2 unsuccessful, and 1 was still pending at the close of the inquiry. Of the 14 strikes not ordered by labor organizations 6 were successful and 8 unsuccessful. Nine of the strikes which were successful resulted in increased pay for the employees of 10 per cent or upward, and 11 of the total number of strikes were settled by voluntary arbitration or agreement. The number of strikers was 2,511, throwing 3,047 persons out of employment. The wage loss is reported at \$62,520, or \$20.52 per employee. The loss to employers is estimated at \$25,850.

**ORGANIZED LABOR.**—The State labor bureau secured returns from 72 local labor organizations, including a list of their secretaries, date of organization, rates of wages, etc. Of the 72 unions, 1 (Baltimore Typographical Union, No. 12) was organized as far back as 1831, 11 were organized in 1900, and 15 in 1902; 17 unions reported that they

were incorporated under State laws; 33 unions worked full time during the year 1902; 14 unions reported that they have a work day of 8 hours, and 35 a work day of 9 hours, a few of the latter having 8 hours on Saturday; 33 unions reported having received an increase of wages during 1902, running from 5 per cent up to as much as \$1 per day, and 3 reported a decrease of wages.

**SWEAT SHOPS.**—In order to further correct the sweat-shop evil, at the January session of 1902 the State legislature passed an amendment to the existing factory-inspection laws providing for the appointment, under the jurisdiction of the chief of the bureau of industrial statistics, of two inspectors; and, further, that after the shops and places of manufacture had been inspected a permit should be granted by the said chief specifying the number of hands that could work in the rooms where the manufacturing was done. In carrying out the provisions of the amendment the work of inspection commenced in the city of Baltimore, on July 1, 1902. There were 1,423 buildings inspected, in which 1,831 rooms were inspected and 1,480 closets inspected and reported. The number of permits issued was 1,309. In rooms for which permits were issued 11,849 persons were employed. Living in the houses inspected were 1,593 families, consisting of 7,335 persons. Of 9,172 persons working in these rooms, 2,273 were members of the occupying families, and 6,899 were persons not members of these families. Of the total, 5,292 were males and 3,880 were females. There were employed under 16 years of age 367 persons, 147 males and 220 females; under 12 years of age 26 were employed, 7 males and 19 females. In 213 cases the law was being violated by overcrowding. A case brought to test the constitutionality of the law has been carried to the State court of appeals, the decision of which is not yet published.

**FREE EMPLOYMENT AGENCY.**—By an amendment to the law creating the bureau of labor, the legislature at the session of 1902 provided for a free State employment agency to be organized and operated by the chief of the bureau. The agency was organized and went into operation on July 1, 1902. A summary of the work accomplished by the agency during the first six months of its existence is as follows: There were filed 634 applications for positions, 507 by males and 127 by females; for help, 696 applications were filed, 305 being for males and 391 for females. Positions were secured, so far as the agency was subsequently notified, by 115 males and 90 females. It is believed, however, that many secured positions who afterwards failed to notify the agency.

**THE OYSTER INDUSTRY.**—Under this caption is presented a summary of the oyster tax and license laws and statistics of the industry, including persons and vessels employed, capital invested, total catch, etc. Returns from 40 oyster packers, for the season, May, 1901, to May, 1902, show that the firms handled 1,768,536 bushels of oysters,

of which they shucked 1,765,734 bushels. They packed raw 1,350,734 bushels and packed steamed 323,421 bushels. Employment was given to 3,702 people, of which 2,292 were men, 1,150 women, and 260 children. To these working people were paid during the year \$368,984 in wages.

**THE CANNING INDUSTRY.**—Statistics are given of the pack of certain fruits and vegetables for the season 1902. Returns received from 312 establishments give \$2,057,550 as the estimated value of plants, \$2,118,704 as the amount paid for raw materials, and \$5,161,988 as the amount expended for other materials and general expenses. A total of \$1,065,539 in wages was paid to 4,471 men, 12,876 women, and 7,189 children. The total pack of fruit and vegetables amounted to 6,564,061 cases. The canning industry is the third largest industry in the State.

**MARYLAND IN THE TWELFTH CENSUS.**—In this part of the report are reproduced statistics of population, manufactures, and agriculture from the reports of the Twelfth Census. For purposes of comparison, in addition to the data for the State, facts for the United States as a whole are given.

**NEW LEGISLATION.**—Under this head is found a reprint of the laws relating to labor passed at the 1902 session of the legislature.

## MICHIGAN.

*Twentieth Annual Report of the Bureau of Labor and Industrial Statistics, including the Tenth Annual Report of the Inspection of Factories.* 1903. Scott Griswold, Commissioner. xxiii, 531 pp.

In addition to factory, store, hotel, and tenement-house inspection, and the woman inspector's work, 319 pages, the following subjects are presented in this report: Cost of living and wages, 9 pages; organized labor, 27 pages; important manufacturing industries, 21 pages; the milling industry, 61 pages; the peppermint industry, 10 pages; special industries, 30 pages; penal and reformatory institutions, 14 pages; coal mines, 16 pages; strikes, 6 pages; miscellaneous, 19 pages.

**COST OF LIVING AND WAGES.**—This consists of a contributed article in which the author makes a comparison between the present increased cost of living and the increased wages. The discussion is based upon statistics published by the Federal census, the Massachusetts labor bureau, and the market reports published in the daily papers, etc.

**ORGANIZED LABOR.**—A canvass by the bureau secured returns from 336 unions, whose membership on July 1, 1902, aggregated 26,890. The membership of these same unions one year previous was 18,891. The average hours constituting a day's work in all the unions was 9.4; the average number of months worked per year, 10.6. In all unions on July 1, 1902, the average daily wage was \$2.28; on July 1, 1901, the average was \$2.14. Of the 336 unions, 159 reported hours of labor shortened, 177 reported hours of labor not shortened; 218 reported

differences settled by arbitration, 118 reported differences settled otherwise; 205 reported having agreements with employers, 131 reported having no agreements; 274 reported having no strikes during the year, 62 reported having strikes, of which 40 reported results favorable to unions, 10 results not favorable, 6 reported strikes compromised, and 6 strikes still pending. There was paid in strike benefits during the year the sum of \$26,333.60. By the 113 unions having sick benefit funds, there was paid out during the year \$19,508.54 for such benefits. Summaries of suggestions of the unions as to needed legislation are presented.

**IMPORTANT MANUFACTURING INDUSTRIES.**—Short descriptions, showing size and value of plant, capital stock, number of employees, amount of pay roll, output, etc., are given of a number of individual establishments, representing some of the prominent industries of the State.

**THE MILLING INDUSTRY.**—Returns from a canvass of the milling industry of the State show a total of 717 mills, of which 509 were for flour and 208 for feed, representing an invested capital of \$6,190,630. Of the whole number of mills, 382 were operated by individuals, 280 by firms, and 55 by corporations. The mills gave employment to 129 superintendents, with wages averaging \$2.45 per day; to 145 foremen, with wages averaging \$2.13 per day; to 181 office employees, with wages averaging \$1.85 per day, and to 1,821 other employees, with wages averaging \$1.53 per day, or to a total of 2,276 employees, with wages averaging \$1.61 per day.

**THE PEPPERMINT INDUSTRY.**—The growth of peppermint and the manufacture of oil therefrom is now a prominent industry of the State. In no other section of the United States is there so much of peppermint grown as in six counties of southwestern Michigan. The number of growers of the plant canvassed was 299. In 1902 they had 6,411 acres devoted to its cultivation, and from the product of this acreage 82,420 pounds of oil were distilled. The growth of wormwood, tansy, and spearmint and the distillation of oil therefrom are being experimented upon.

**SPECIAL INDUSTRIES.**—This chapter is devoted to accounts of some of the special industries of the State, among which may be enumerated the growing of sugar beets and the manufacture of beet sugar, the manufacture of Portland cement, the growth and manufacture of flax, the growth and manufacture of chicory, and the manufacture of silk, featherbone, railway cars, pig iron, wood alcohol, grape juice, and chemicals by selected individual establishments.

The 16 beet-sugar factories of the State represent in cost of construction an original outlay of \$7,467,000. These 16 factories in the campaign of 1902-3 employed 1,037 skilled laborers at average daily wages of \$2.63 each, and 2,506 common laborers at average daily wages of \$1.81 each, or a total of 3,543 employees at average daily wages of

\$2.05 each. An average campaign for a sugar factory is one hundred and five days. The estimated output of sugar for the 16 factories was 96,800,000 pounds. During the growing season many of the factory workers find employment with the beet growers.

In 1902 the 14 Portland cement factories in the State gave employment to 1,648 persons at average daily wages of \$2.15 each. The average output was nearly 14,000 barrels per day. The original cost of the plants was an average of over \$600,000 each.

The 6 chicory factories of the State in 1902 employed an aggregate of 123 persons at average wages of \$1.66 per day each. The 6 flax mills manufactured 1,950 tons and gave employment to 185 persons. The 2 silk mills gave employment to 650 and 225 persons, respectively, and the featherbone industry gave employment to 225 persons whose monthly pay roll aggregated about \$7,000.

**COAL MINES.**—During 1902 the number of coal mines in operation each month averaged 21, which employed an average of 1,415 persons per day. The average number of hours worked per day was 7.7, and of days per month 21.3. The average daily earnings of employees amounted to \$2.75, the range being from \$1.54 to \$2.96. The amount of coal mined was 869,228 tons, at an average cost for mining of \$1.44 per ton. Accounts are given of 23 accidents that were reported to the mine inspector within the year.

**STRIKES.**—Accounts are given of the various labor troubles that occurred in the State during 1902, the greatest of which was in the coal-mining industry, the mines being practically at a standstill for over three months. No summaries of strikes are given.

**MISCELLANEOUS.**—In this chapter appears a reproduction of the laws creating the Michigan bureau of labor and the several labor laws governing factory inspection, etc.; also a brief synopsis of the child-labor laws of various States.

#### NORTH CAROLINA.

*Sixteenth Annual Report of the Bureau of Labor and Printing of the State of North Carolina, for the year 1902.* H. B. Varner, Commissioner. viii, 365 pp.

The eight chapters constituting this report treat of the following subjects: Agricultural statistics, 94 pages; miscellaneous factories, 46 pages; cotton and woolen mills, 42 pages; furniture factories, 14 pages; newspapers, 44 pages; trades, 72 pages; railroad employees, 7 pages; manufacturing enterprises, 38 pages. In connection with a number of these subjects letters are published expressing the views of the correspondents of the bureau on matters of interest to labor, including compulsory education, child labor, a shorter working day, etc. The report concludes with a directory of the bureaus of labor in the United States.

**AGRICULTURAL STATISTICS.**—Returns were secured by correspondence with representative farmers in every county of the State. The following summary indicates the scope of the inquiry: Value of land has increased in 65 counties, decreased in 2, and in 30 there has been no change; 69 counties report tendency to smaller farms, 9 to larger, and 19 no change. In 72 counties labor is reported scarce, in 22 plenty, and in 3 abundant; 93 counties report negro labor unreliable, 2 reliable, and 2 no negro labor; 56 counties report employment as being regular and 41 as being irregular. Increased cost of living is reported in 95 counties and in 2 no increase; 57 counties report increase of wages and 40 no increase. Monthly wages of farm laborers are, for men, from \$9.72 to \$15.49; for women, \$6.61 to \$10.08; for children, an average of \$5.57. Average cost of producing cotton is \$27.57 per 500-pound bale in 68 counties; 75 counties produce wheat, at an average cost of \$0.68 per bushel; 96 corn, at \$0.46 per bushel; 92 oats, at \$0.33 per bushel, and 58 tobacco, at \$6.44 per 100 pounds. The market price of cotton averages \$43.45 per 500-pound bale; of wheat, \$0.91 per bushel; of corn, \$0.88 per bushel; of oats, \$0.55 per bushel, and of tobacco, \$12.42 per 100 pounds. Eighty per cent of the farmers reporting favor a compulsory education law.

**MISCELLANEOUS FACTORIES.**—Tables are presented showing conditions in 268 factories, exclusive of furniture and tobacco factories and textile mills. Capital stock, horsepower, time in operation, hours of labor, wages, number of employees, etc., are shown for the various establishments, and inquiry is also made as to child labor and compulsory education. The number of employees reported is 9,630, of whom 917 are under 14 years of age. The average length of a day's work is 10½ hours, and \$1.95 the highest and \$0.70 the lowest average daily wages reported. Wages are paid weekly in 63 per cent of the establishments; 60 per cent report an increase of wages; 86 per cent oppose the employment of children under 14 years of age, and 14 per cent favor such employment. Compulsory education is favored by 86 per cent and opposed by 14 per cent. Of adult employees, 80 per cent read and write, and of children, 96 per cent.

**COTTON AND WOOLEN MILLS.**—This report ends with June 30, 1902, and covers 276 mills, operating 1,743,431 spindles, 38,501 looms, and 3,281 machines, using in all 73,825 horsepower. Of these mills, 220 are devoted to cotton manufacture. The number of employees is 46,569, of whom 23,011 are males, 22,629 females, and 929 children under 12 years of age. There are 109,781 persons dependent on the mills for a livelihood. Of the adult operatives, 84 per cent can read and write; of the children, 71 per cent. Hours of labor range from 10 to 12 per day. The highest average wages per day for operatives are \$1.90 for men and \$0.94 for women. The lowest average wages per day are \$0.58 for men and \$0.45 for women. The wages of children average \$0.35 per day.

The growth of cotton manufacturing in North Carolina since 1840 is shown in the statement following:

GROWTH OF COTTON MANUFACTURING, 1840 TO 1902.

Year.	Mills.	Spindles.	Looms.	Operatives.
1840 .....	25	47,900	700	1,200
1850 .....	28	40,000	800	1,600
1860 .....	39	41,900	800	1,800
1870 .....	33	39,900	600	1,500
1880 .....	49	92,400	1,800	3,300
1890 .....	91	337,000	7,300	8,700
1900 .....	186	1,297,771	29,689	38,637
1902 .....	220	1,743,431	38,501	46,569

FURNITURE FACTORIES.—The furniture industry of the State has grown so rapidly during the past few years that a separate chapter is devoted to it in this report. Returns were received from 106 factories with 4,095 employees. The highest average daily pay for adults is \$2.02; the lowest, \$0.66; the pay of children, \$0.36. Of factories reporting, 20 per cent pay weekly, 67 per cent biweekly, and 13 per cent monthly; 86 per cent report increase of wages, and 14 per cent no change. Of employees, 86 per cent read and write. Relative to employment of children under 14 years of age, 80 per cent of the manufacturers oppose such employment, while 20 per cent favor it; 92 per cent favor compulsory education, and 8 per cent oppose it.

TRADES.—The facts presented in this chapter were secured from representative men in the different trades and give the conditions existing throughout the State. Of the wage-earners making returns, 23 per cent report an increase of wages, 12 per cent a decrease, and 65 per cent no change; 65 per cent make full time, 32 per cent part time, and 3 per cent make no report; 93 per cent report cost of living increased, and 7 per cent no increase; 50 per cent favor a 10-hour day, 37 per cent an 8-hour day, 11 per cent a 9-hour day, and 2 per cent an 11-hour day; 93 per cent favor compulsory education, and 7 per cent oppose it.

RAILROAD EMPLOYEES.—The number of railroad employees in the State is reported at 11,157, exclusive of officers and office employees. The table following gives number and average wages for the various occupations:

OCCUPATIONS AND AVERAGE DAILY WAGES OF RAILROAD EMPLOYEES, 1902.

Occupations.	Number.	Average daily wages.	Occupations.	Number.	Average daily wages.
Station agents.....	609	\$0.88	Carpenters.....	458	\$1.59
Other station men.....	1,306	1.06	Other shopmen.....	1,044	1.15
Engineers.....	448	2.75	Section foremen.....	502	1.37
Firemen.....	591	1.17	Other trackmen.....	3,123	.76
Conductors.....	301	2.19	Switch, flag, and watch men.....	368	1.02
Other trainmen.....	770	.97	Telegraph operators.....	252	1.27
Machinists.....	286	2.21	Other employees.....	1,099	.99

During the year 29 employees were killed and 414 injured, resulting from the movement of trains; and 4 killed and 448 injured from other causes than the movement of trains.

**MANUFACTURING ENTERPRISES.**—This is a directory by counties of the manufacturing enterprises of the State, showing the town where located and the product turned out.

## OHIO.

*Twenty-sixth Annual Report of the Bureau of Labor Statistics of the State of Ohio, for the year 1902.* M. D. Ratchford, Commissioner. 808 pp.

The report presents the following subjects: Laws governing the labor bureau, and recent Ohio laws and court decisions relating to labor, 66 pages; manufactures, 363 pages; working women, 324 pages; free public employment offices, 19 pages; list of bureaus of labor in the United States, 2 pages.

**MANUFACTURES.**—Statistics for 1901 are given showing, by industries, number of establishments reported, value of goods manufactured and sold, value of materials used, value of manufactured goods and materials on hand January 1, 1902, with capital invested; amount paid in wages during 1901, and number employed and salaries of office help; number of males and females employed each month, and monthly averages of males and females for 1901; also, by occupations, the number employed, and the average days worked, average daily wages, average yearly earnings, and average hours of daily labor for 1901.

These statistics are shown for each of the five principal cities, for the towns and villages, and by totals for the State. Comparisons between 1900 and 1901 are also made.

The summary following presents, for 1901, the principal data for ten of the leading industries and for all industries:

STATISTICS OF MANUFACTURES, 1901.

Industries.	Establishments.	Capital invested.	Stock used.	Value of product.	Wages paid.	Employees.	Average annual earnings.
Agricultural implements	42	\$9,799,050	\$5,467,232	\$11,675,845	\$2,723,913	5,280	\$515.89
Boots and shoes .....	58	6,477,079	11,584,158	19,350,045	4,201,289	13,023	322.60
Carriages and wagons .....	240	8,006,515	8,186,712	16,658,862	3,861,544	7,371	523.88
Cigars .....	328	2,812,046	3,209,052	8,228,595	2,086,675	6,800	306.86
Clothing .....	222	9,538,767	13,196,574	22,855,724	4,838,191	11,180	432.75
Flouring-mill products .....	168	8,536,858	20,717,881	24,325,941	1,070,261	2,459	485.24
Foundry and machine-shop products, and machinery .....	455	60,266,448	31,605,450	75,839,292	21,996,060	42,871	513.08
Furniture .....	184	7,291,757	3,658,454	8,654,975	2,408,207	6,264	383.65
Printing and binding .....	371	14,238,116	4,351,424	11,014,086	3,664,336	8,129	450.77
Steel, iron, and tin .....	72	34,437,525	22,963,096	83,649,999	19,681,963	30,940	686.13
All industries.....	5,329	458,461,670	280,817,082	598,332,713	134,662,008	284,023	474.12

Of the 10 industries considered in the above table the steel, iron, and tin industry shows the highest average annual earnings, the amount

being \$636.13, while the cigar industry shows the lowest, namely, \$306.86. The average for 5,329 establishments in the State was \$474.12. During 1901 there were 46,286 persons who received an average advance in wages of 8.4 per cent, or an aggregate of \$1,843,402, while 1,251 persons suffered an average reduction of 6.2 per cent, or an aggregate of \$26,774.

**WORKING WOMEN.**—The information presented under this head is a continuation of an investigation reported upon in the previous annual report. The prior inquiry related to the cities of Cleveland, Cincinnati, and Columbus, while the present canvass covers sixteen of the larger cities of the State. Returns are published showing, for 7,825 working women in 1901, occupations, nativity, age, weeks of employment, weeks of idleness by causes, weekly wages and income, living expenses, number of dependents, and average weekly savings. Of the 7,825 women interviewed, 7,558 were of American nativity, the next largest number being 171 of German nativity. The average age was 22 years, 1,982 being under 18 years of age, 4,241 between 18 and 25, and 1,602 over 25 years old. The average number of weeks of employment at present occupation was 40.5, and at other occupations 5.4. Weekly hours of labor averaged 57.6, and wages \$4.94. Expenses per week averaged \$2.55 for board and lodging, \$0.03 for rent, light, and heat, \$1.41 for clothing, and \$1.23 for other necessaries. Their average weekly savings were \$0.12.<sup>(a)</sup> The total number of dependents was 930. Brief text reports are also given relative to the conditions in the industries employing women.

**FREE PUBLIC EMPLOYMENT OFFICES.**—Brief text reports from the superintendents of the five offices, tables showing the work done by each office from the date of its organization, and reports of the operations of each office for each month of the year 1902, with totals for the year, are found under this head.

The following table shows the operations of the five free public employment offices of the State for the year 1902:

OPERATIONS OF FREE PUBLIC EMPLOYMENT OFFICES, 1902.

City.	Situations wanted.		Help wanted.		Positions secured,	
	Males.	Females.	Males.	Females.	Males.	Females.
Cleveland .....	3,411	2,390	4,586	2,819	2,606	1,933
Columbus.....	1,616	1,443	2,439	2,855	1,447	1,417
Cincinnati .....	3,204	2,115	2,564	2,845	2,410	1,767
Dayton .....	3,931	2,491	4,472	7,194	3,147	2,080
Toledo .....	3,995	2,372	3,913	2,926	2,704	1,917
Total.....	16,157	10,811	17,974	18,639	12,314	9,114

<sup>a</sup>For living expenses the averages were based upon the number of persons only who reported under that head, while the averages for wages were based upon the whole number of persons canvassed, hence the discrepancy between expenses and wages.

During 1902 there were 3,522 more males who applied for situations than in 1901, and 123 more females; the applications in 1902 for male help wanted exceeded those in 1901 by 6,247, and those for female help wanted by 2,092; the positions secured in 1902 for males exceeded those secured in 1901 by 4,159, and those secured for females by 432.

Since the organization in 1890 of the five free public employment offices there has been a total of 343,865 applications for situations wanted, 274,511 applications for help wanted, and 187,279 positions secured. Of applications for situations 54.5 per cent were filled, and of applications for help wanted 68.2 per cent were filled.

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## REPORTS OF STATE BOARDS OF ARBITRATION. COLORADO.

*Sixth Annual Report of the State Board of Arbitration.* November 15, 1902. John F. Harley, Secretary. 55 pp.

The work of the board during the year covered by the report was seriously hampered by the opinion of the attorney-general of the State, handed down October 28, 1901, to the effect that the board had "no power to enforce obedience to its subpœnas, or to punish a refusal to testify; and furthermore, had no power to enforce its decisions."

The act of 1897, creating the State board of arbitration is reproduced, together with certain amendments suggested by the board to the legislature, which are designed to remedy the above defects in the law. During the year only four cases were brought before the board.

## ILLINOIS.

*Seventh Annual Report of the State Board of Arbitration.* July 1, 1902. J. McCan Davis, Secretary. 275 pp.

During the year covered by this report 30 disputes in various forms occupied the attention of the board, 28 of which were strikes, 1 a lockout, and 1 a jurisdictional dispute between labor unions. The adjustments brought about through the good offices of the board are reported to have affected from 15,000 to 20,000 working people, and to have saved to employers, employees, and the general public, a sum amounting in the aggregate to several millions of dollars. The most effective and satisfactory work of the board was done as a board of conciliation rather than as one of arbitration.

In an appendix are extracts from the report of the United States Industrial Commission relating to collective bargaining, conciliation, and arbitration, a digest of State and national laws, establishing State boards of arbitration and providing for local boards of arbitration, with a summary of the working of such boards, and a circular of information prepared by the board relative to its powers and duties.

## INDIANA.

*Second and Third Biennial Reports of the Labor Commission, for the years 1899-1900 and 1901-2.* L. P. McCormack and B. Frank Schmid, Commissioners. 150 pp.; 127 pp.

The above reports consist of a résumé of the experience and work of the commission, a detailed statement of each of the investigations and settlements made, and a reproduction of the law creating the labor commission.

During the biennial period 1899-1900 the commission made 46 investigations and settlements, and during the biennial period 1901-2 it made 38 investigations and settlements. The work of the commission has been generally satisfactory to both employers and employees.

## MASSACHUSETTS.

*Seventeenth Annual Report of the State Board of Conciliation and Arbitration, for the year ending December 31, 1902.* B. F. Supple, Secretary. 331 pp.

In this report a review of the year's work of the board is followed by a detailed account of its proceedings in each of 193 controversies that came to its notice. In general the work of the board may be classified under three heads, which relate (1) to the formation of trade agreements or collective bargaining; (2) to arbitration cases, where points in dispute are left to the decision of the board; and (3) to conciliation cases, in which, by mediation between the parties to a controversy threatened or existing, the board endeavors to bring them together on some common ground. As the public becomes more familiar with its work there is a constantly increasing demand for the services of the board.

## NEW YORK.

*Fifteenth Annual Report of the Board of Mediation and Arbitration.* 1901. John McMackin, Commissioner. 424 pp.

This report contains an account of the labor disputes within the State for the nine months ending September 30, 1901, together with full particulars of the more important disputes within the period, the text of agreements and awards terminating disputes, and a reprint of the arbitration laws of various States and foreign countries. There are also, reproduced from the Sixteenth Annual Report of the United States Commissioner of Labor, statistics of strikes and lockouts in New York State for the twenty-year period 1881 to 1900, and the report of the New South Wales commission of inquiry into the working of the New Zealand compulsory conciliation and arbitration law.

During the nine months covered by the report there were within the State 126 labor disputes, involving 649 establishments and 44,943 employees, or 71.9 per cent of the 62,536 employed before the disputes. Nearly one-half of the employees involved, or 22,097, were active participants in the strikes and lockouts, while the remaining 22,846 were thrown out of employment as a result of the disputes. Of the 649 establishments affected, 504 suspended work entirely for a longer or shorter period. The aggregate working days lost by employees was 815,097, of which 497,596 days were lost by those directly affected and 317,501 days by those indirectly affected.

Considering industries, the greatest number of disputes was in metals, machinery, etc., it being 40, followed by 28 disputes in the building trades and 18 in the clothing industry. Increase of wages was the cause of 45 disputes, hours of labor 31, and trade unionism 27. Of results of disputes, 48 were in favor of employees, 53 in favor of employers, and 25 were compromised.

The mode of settlement of the disputes reported was as follows:

MODE OF SETTLEMENT OF DISPUTES FOR THE NINE MONTHS ENDING SEPTEMBER 30, 1901.

Mode of settlement.	Number of disputes.	Employees involved.
Direct negotiations.....	72	17,042
Return to work on employers' terms.....	24	12,004
Replacement of workers.....	22	1,180
Closing of works.....	1	11½
Mediation and conciliation.....	4	1,482
Arbitration.....	2	12,670
Otherwise.....	1	446
Total.....	126	44,943

It is seen from the above that direct negotiation of the parties was the most frequent method of settlement, 72 disputes, embracing 38 per cent of the workers, being terminated in that way. The other two forms of negotiation (mediation or conciliation and arbitration) were the means of settlement in but 6 cases. The number involved, however, in these 6 cases is large, owing to the fact that the bricklayers and masons' strike in New York City, which involved 12,500 men, was arbitrated. In 24 disputes, involving 12,004 workers, the employees gave up the fight and returned to work on the employers' terms, while in 22 disputes, involving 1,180 workers, the employees were replaced by others.

## OHIO.

*Eighth and Ninth Annual Reports of the State Board of Arbitration for the years ending December 31, 1900 and 1901.* Joseph Bishop, Secretary. 131 pp; 103 pp.

These reports contain detailed accounts of 13 cases of dispute which were brought to the attention of the board during the year 1900 and

19 cases during the year 1901. The greater portion of these disputes were strikes or lockouts, while the others were settled before reaching that stage, either through the efforts of the board or otherwise. In the eighth annual report are reproduced the arbitration laws of the various States and a proposed bill for the amendment and revision of the Ohio law.

### WISCONSIN.

*Biennial Report of the State Board of Arbitration and Conciliation for the years 1899 and 1900.* G. E. Willott, Secretary. 112 pp.

This report contains a review of the work of the board during the years 1899 and 1900, a detailed account of each case considered, and reproductions of the conciliation and arbitration laws of Wisconsin and other States.

The 28 controversies of which the board took cognizance during the two years included in this report involved more or less directly employees whose yearly earnings were estimated at \$3,000,000. The aggregate earnings under ordinary conditions of the establishments involved were estimated at about \$10,000,000. The total expenses incurred by the board during the two years amounted to \$1,746.98.

## RECENT FOREIGN STATISTICAL PUBLICATIONS.

### GREAT BRITAIN.

*Statistics of proceedings under the Workmen's Compensation Act, 1897, and the Employers' Liability Act, 1880, during the year 1900.* 39 pp. (Published by the Home Office.)

This report contains such statistical information as the Home Office could collect with reference to the workings of the workmen's compensation act, 1897, and the employers' liability act, 1880, during the year 1900. It shows for each of the countries, England and Wales, Scotland, and Ireland, statistics regarding the cases of arbitration under the workmen's compensation act in the county and sheriff courts and memoranda registered in the same, the number and results of actions in county and sheriff courts under the employers' liability act, statistics of the proceedings of each court, appeals to higher courts under each act, and a list of appeals under the workmen's compensation act. As these statistics cover only cases which have come before the courts, they leave untouched the great body of cases in which compensation was settled by agreement and by informal arbitration.

In England and Wales, during the year 1900, under the workmen's compensation act, 1,145 cases were dealt with by county court judges and county court arbitrators, as compared with 999 in the previous year. The number decided by judges increased from 828 to 1,046, while the number of cases in which it was necessary to appoint a special arbitrator had fallen from 98 to 29, and 70 cases were settled by acceptance of money paid into court. In addition to these there were 407 cases which were either withdrawn, settled out of court, or otherwise disposed of.

Of the claims for compensation cases finally settled within the courts 867 cases were in favor of the plaintiff and 194 in favor of the defendant. The award in 331 cases was a lump sum, and in 536 cases a weekly payment. Compensation in 248 cases was awarded on account of death. Omitting 3 cases in which the deceased left no dependents, there remains 245 cases in which compensation amounting to £40,042 13s. 11d. (\$194,867.78) was awarded to the dependents, or an average in each case of £163 8s. 9d. (\$795.37). With regard to the awards of compensation for the 619 cases of injury, in 83 cases the compensation

was in a lump sum, averaging £39 3s. 11d. (\$190.75) per case, and in 536 cases a weekly sum was assigned, 300 being cases of total and 236 cases of partial disability. The average weekly allowance in the former was 11s. 6d. (\$2.80), and in the latter 10s. 9d. (\$2.62).

The cases in which memoranda were registered in county courts numbered 1,253, of which 1,188 were settled by agreement, 40 by committee, and 25 by agreed arbitrator. There were 116 cases of death, 605 of total disability, and 532 of partial disability. The average award to dependents in case of death was £171 14s. 2d. (\$835.62), the average weekly payment in case of total disability 14s. 3d. (\$3.47), and in case of partial disability 13s. 1d. (\$3.18).

During the year 1900 the cases under the employers' liability act in county courts numbered 511, of which 158 resulted in favor of the plaintiff, 74 in favor of the defendant, 2 were removed to a higher court, and 277 were otherwise disposed of. The damages awarded amounted to £11,196 13s. 6d. (\$54,488.62), the average in case of death being £158 16s. 7d. (\$772.94).

The number of cases under the workmen's compensation act carried to the court of appeal was 90, of which 31 were appeals by workmen and 59 by employers. There were 7 appeals to the House of Lords, 6 by workmen and 1 by employers. Under the employers' liability act there were 15 appeals to the high court of justice, 6 by workmen and 9 by employers.

Up to December 31, 1900, 49 compensation schemes had been certified by the registrar of friendly societies, affecting 132,009 workmen. These were distributed among the following industries: Railways, 2 schemes, affecting 41,174 workmen; factories, 18 schemes, affecting 16,494 workmen; mines, 28 schemes, affecting 73,871 workmen; quarries, 1 scheme, affecting 470 workmen.

In 1900 there were 2,314 deaths by accident in railways, factories, mines, and quarries. Of claims for compensation 327 cases, or 14 per cent of all deaths, were brought before the county courts, 308 being under the workmen's compensation act and 19 under the employers' liability act. As regards claims for injury, it is believed that the number of litigated cases was less than 1 per cent of the total number of cases in which compensation was payable. Therefore, the cases which come before the courts represent but a small proportion of those in which compensation is paid under the acts; the great majority are settled by agreement, and only a small percentage are carried to formal arbitration.

In Scotland, of the 307 cases under the workmen's compensation act during 1900 coming before the sheriff courts, 191 were decided by award of the judge and 116 were withdrawn or otherwise settled out of court. Of the 191 cases settled in court, 136 were in favor of the

plaintiff, 53 in favor of the defendant, and 2 were cases at avizandum. The amount of compensation awarded in the 136 cases in favor of plaintiff was a lump sum of £5,669 18s. 11d. (\$27,592.79) for 47 cases, and a total weekly payment of £47 5s. 8 $\frac{3}{4}$ d. (\$230.12) for 89 cases. There were 73 cases in which memoranda were registered in the sheriff courts; of these 70 were settled by agreement and 3 by agreed arbitrator. Lump sums aggregating £3,975 2s. 10d. (\$19,345.03) were awarded in 28 cases, and in 45 cases the awards were for a total weekly sum of £27 7s. 8d. (\$133.26).

Of the 139 cases under the employers' liability act coming before the sheriff courts during 1900, 6 were decided in favor of the plaintiff, 20 in favor of the defendant, 13 were removed to a higher court, and 100 were otherwise disposed of. Damages aggregating £322 (\$1,567) were awarded in the 6 cases in favor of plaintiff.

There were 32 cases of appeal to the court of session under the workmen's compensation act, 12 by workmen and 20 by employers, and 50 cases under the employers' liability act, 47 by workmen and 3 by employers.

In Ireland, of the 83 cases under the workmen's compensation act during 1900 coming before the county courts, 74 were decided by award of the judge, 1 by the acceptance of money paid into court, and 8 were otherwise disposed of. Of the 75 cases settled in court, 47 were for the plaintiff and 28 for the defendant. The amount of compensation awarded in the 47 cases in favor of plaintiff was a lump sum of £1,790 4s. 8d. (\$8,712.17) for 23 cases and a total weekly payment of £10 11d. (\$48.89) for 24 cases. There were 23 cases in which memoranda were registered, all of which were settled by agreement. Lump sums aggregating £500 (\$2,433.25) were awarded in 9 cases, and in 14 the awards were for a total weekly sum of £7 6s. 11d. (\$35.75).

Of the 19 cases under the employers' liability act coming before the county courts during 1900, 13 were decided in favor of the plaintiff, 3 in favor of the defendant, and 3 were otherwise disposed of. Damages aggregating £471 (\$2,292.12) were awarded in the 13 cases in favor of plaintiff.

There were 6 cases of appeal to the court of appeal under the workmen's compensation act, 5 by workmen and 1 by employers, and 6 cases to the high court of justice under the employers' liability act, all being by workmen.

The following table shows the number of cases in the United Kingdom coming before the county and sheriff courts under the workmen's compensation act, 1897, and the employers' liability act, 1880, during 1900, classified according to the nature of the employment of the persons concerned:

## CASES DURING 1900 COMING BEFORE THE COUNTY AND SHERIFF COURTS UNDER THE WORKMEN'S COMPENSATION ACT, 1897, AND THE EMPLOYERS' LIABILITY ACT, 1880.

Nature of employment.	Cases under workmen's compensation act, 1897.				Cases under employers' liability act, 1880.			
	England and Wales.	Scot- land.	Ireland.	United King- dom.	England and Wales.	Scot- land.	Ireland.	United King- dom.
Railway .....	157	42	6	205	9	8	.....	17
Factory .....	764	119	51	934	260	64	2	326
Mine .....	271	59	6	336	8	7	.....	15
Quarry .....	43	2	2	47	1	2	1	4
Engineering work .....	166	45	7	218	41	13	11	65
Building .....	151	40	11	202	129	29	4	162
Other .....					63	16	1	80
Total .....	1,552	307	83	1,942	511	139	19	669

Since 1898 there has been a falling off in the number of cases under the employers' liability act as a result of the new rights given by the workmen's compensation act.

*Ninth and Tenth Annual Reports on Changes in Rates of Wages and Hours of Labor in the United Kingdom, 1901 and 1902.* lxxxv, 77 pp.; lxxxiv, 54 pp. (Published by the Labor Department of the British Board of Trade.)

These are the ninth and tenth of a series of annual reports dealing with the changes in the market rates of wages and recognized hours of labor of working people in the United Kingdom for a full week's work, exclusive of overtime. The changes of this character are shown in detailed tables and in summaries presenting the facts with regard to each trade and group of trades, classified in various ways. The reports also contain piece-price lists and sliding wage scales agreed upon in 1901 and 1902 and the principal amendments to those which were in operation before the beginning of each year. The changes recorded in the present reports are based upon returns from employees' and employers' associations, trade unions, local correspondents of the department, and official sources.

In 1901, the first time since 1895, a decline in wages was recorded. In 1896 an upward movement began which culminated in 1900, when the general level of wages stood higher than in any other year for which statistics exist. The decline in 1901 is accounted for mainly by the fall in miners' wages, the rise in which was the predominant feature of the statistics for the years 1898 to 1900. The fall in wages in this industry accounted for over 80 per cent of the total weekly decrease in 1901. A considerable decline also occurred in the metal trades, but in the remaining industries the net result for the year was a slight increase. The principal feature of the changes during 1902 was the fall in wages in the coal-mining industry. The reductions in this industry accounted for 95 per cent of the total decrease recorded. Reduc-

tions also took place in the shipbuilding trades. In the other groups of trades dealt with no important changes occurred during 1902, but the tendency of such as did take place was, on the whole, upward.

The tables following summarize the principal data contained in the returns for the years 1893 to 1902:

CHANGES IN RATES OF WAGES, AND EMPLOYEES AFFECTED, 1893 TO 1902.

Year.	Changes in rates of wages.	Separate individuals affected by—			Total indi- viduals affected by changes in rates of wages.	Average weekly in- crease in rates of wages.
		Increases in rates of wages.	Decreases in rates of wages.	Changes leaving wages same at end as at beginning of year.		
1893.....	706	142,364	256,473	151,140	549,977	\$0.112
1894.....	779	175,615	488,357	6,414	670,386	a.330
1895.....	805	80,107	351,895	4,956	436,958	a.314
1896.....	1,607	382,225	167,357	58,072	607,654	.213
1897.....	1,518	560,707	13,855	22,882	597,444	.259
1898.....	1,406	1,003,290	11,865	14	1,015,169	.385
1899.....	1,593	1,174,444	1,132	-----	1,175,576	.375
1900.....	1,418	1,112,684	23,010	92	1,135,786	.897
1901.....	969	429,715	492,518	9,893	932,126	a.406
1902.....	471	91,812	793,041	5,503	890,356	a.395

*a* Decrease.

CHANGES IN HOURS OF LABOR, AND EMPLOYEES AFFECTED, 1893 TO 1902.

Year.	Changes in hours of labor.	Separate individuals affected by—		Total indi- viduals affected by changes in hours of labor.	Average weekly re- duction in hours of labor.
		Increases in hours of labor.	Decreases in hours of labor.		
1893.....	155	1,530	33,119	34,649	1.99
1894.....	221	128	77,030	77,158	4.04
1895.....	141	1,287	21,448	22,735	1.94
1896.....	245	73,616	34,655	108,271	.73
1897.....	254	1,060	69,572	70,632	4.03
1898.....	202	1,277	37,772	39,049	2.10
1899.....	209	2,600	33,349	35,949	3.54
1900.....	158	869	56,857	57,726	4.12
1901.....	117	586	28,690	29,276	2.01
1902.....	92	5,524	1,051,983	1,057,507	.97

The data shown in the above tables, as well as in those immediately following, do not include returns relating to agricultural laborers, seamen, and railroad employees, which are separately treated in the report.

**CHANGES IN RATES OF WAGES.**—The 969 changes in rates of wages during 1901 affected a total of 932,126 working people, the net result being a reduction in the weekly wages bill amounting to £77,343 (\$376,390), or an average per head of 1s. 8d. (\$0.406). During 1902 the 471 changes in rates of wages affected 890,356 working people, the net effect of all the changes being a decrease in weekly wages of £72,701 (\$353,799), or an average per head of 1s. 7½d. (\$0.395).

The following table shows, by industries, the number of changes in the rates of wages in 1901 and 1902, and the number of employees affected:

## CHANGES IN RATES OF WAGES AND EMPLOYEES Affected, BY INDUSTRIES, 1901 AND 1902.

## 1901.

Industries.	Changes in rates of wages.	Separate individuals affected by—			Total indi- viduals affected by changes in rates of wages.	Average weekly in- crease in rates of wages.
		Increases in rates of wages.	De- creases in rates of wages.	Changes leaving wages same at end as at beginning of year.		
Building .....	158	29,598	10,089	.....	39,687	\$0.238
Mining and quarrying .....	153	325,249	392,023	8,478	725,750	a .421
Metal, engineering, and shipbuilding .....	264	14,467	87,469	1,280	103,216	a .994
Textile .....	32	2,911	187	.....	3,098	.456
Clothing .....	39	5,265	9	135	5,409	.624
Miscellaneous .....	136	24,610	2,728	.....	27,338	.294
Employees of public authorities .....	187	27,615	13	.....	27,628	.324
Total .....	969	429,715	492,518	9,893	932,126	a .406

## 1902.

Building .....	72	12,401	3,089	85	15,575	\$0.289
Mining and quarrying .....	96	12,388	736,990	.....	749,378	a .476
Metal, engineering, and shipbuilding .....	139	46,529	49,725	5,418	101,672	a .076
Textile .....	22	2,086	21	.....	2,107	.330
Clothing .....	23	2,612	500	.....	3,112	.456
Miscellaneous .....	47	7,925	2,716	.....	10,641	.091
Employees of public authorities .....	72	7,871	.....	.....	7,871	.370
Total .....	471	91,812	793,041	5,503	890,356	a .395

a Decrease.

The net results of these changes in rates of wages during a period of ten years are shown, by industries, in the following table:

## AVERAGE INCREASE IN RATES OF WAGES, BY INDUSTRIES, 1893 TO 1902.

Industries.	Average increase per employee per week.									
	1893.	1894.	1895.	1896.	1897.	1898.	1899.	1900.	1901.	1902.
Building .....	\$0.360	\$0.345	\$0.411	\$0.502	\$0.517	\$0.502	\$0.487	\$0.411	\$0.238	\$0.289
Mining and quarrying .....	.228	a .421	a .461	a .127	.132	.416	.395	1.161	a .421	a .476
Metal, engineering, and shipbuilding .....	a .218	a .157	.005	.370	.269	.279	.634	.831	a .994	a .076
Textile .....	a .086	.112	.046	.020	.041	a .086	.122	.233	.456	.330
Clothing .....	.385	.335	.471	.314	.476	.091	.274	.527	.624	.456
Miscellaneous .....	a .020	a .076	a .127	.416	.507	.390	.390	.456	.294	.091
Employees of public authorities .....	.380	.360	.390	.294	.350	.345	.284	.395	.324	.370
Total .....	.112	a .330	a .314	.213	.259	.385	.375	.897	a .406	a .395

a Decrease..

The groups of building trades, clothing, and employees of public authorities are the only ones that show an unbroken succession of net increases in rates of wages for each year of the period. The groups showing the greatest number of decreases during the period are

mining and quarrying and metal, engineering, and shipbuilding. Considering the net results for all the industries, four years out of the period show an average decrease in wages per employee per week, namely, 1894 and 1895, and 1901 and 1902.

The groups of agricultural laborers, railway employees, and seamen have been separately considered in the reports, owing to the difficulty in obtaining returns of the precise number of persons affected by changes in wage rates in these industries.

Information regarding the wages of agricultural laborers in England and Wales was obtained mainly from the chairmen of rural district councils. In the reports the current rates of weekly cash wages in January and June of 1901 and 1902 are compared with those returned for corresponding dates in each year preceding. The returns received were exclusive of piecework earnings and extra payments and allowances of any kind. Figures presented for a series of years show that the net result has been an improvement in the rates of wages of agricultural laborers for each year since 1896. The number of laborers in districts in which wages were reported to have changed in 1901 was 172,542, as compared with 281,262 in 1900. Of the 172,542 laborers affected in 1901, the wages in districts containing 159,456 were increased, and in the case of 13,086, wages were reduced. In 1900 no reductions were reported. The number of laborers in districts in which wages were reported to have changed in 1902 was 120,069. Of this total, the wages in districts containing 66,601 were increased, and in the case of 53,468, wages were reduced. The net result of these changes was an increase of £3,952 (\$19,232) per week in 1901 and of £400 (\$1,947) in 1902. The returns for Scotland were based on information obtained from hiring fairs, and also from a number of representative employers. At the hiring fairs held in 1901 the increased rates of wages obtained the previous year were generally well maintained, and for 1902 the reports show that wages remained practically stationary. Reports from Ireland show that, although there had been no general movement in the wages of farm laborers during 1901 and 1902, a few districts showed a slight upward tendency.

The rates of wages of seamen were based upon returns furnished by superintendents of the mercantile marine in the various ports of the Kingdom. The average monthly wages on steamships of able seamen were, in 1901, 82s. 6d. (\$20.07), and in 1902, 81s. 2d. (\$19.75), a decrease per month of 1s. 4d. (\$0.32); the average monthly wages of firemen and trimmers were, in 1901, 87s. 2d. (\$21.21), and in 1902, 85s. 10d. (\$20.89), a decrease per month of 1s 4d. (\$0.32). The average monthly wages of able seamen on sailing vessels were, in 1901, 60s. 5d. (\$14.70), and in 1902, 60s. 1d. (\$14.62), a decrease per month of 4d. (\$0.08). Food is given in addition to these wages.

In determining the wages of railway employees a different method has been followed from that adopted for other groups of trades, the actual earnings being considered instead of the wage rates, because in the British railway service the remuneration is usually regulated by graduated scales of pay rather than by fixed wage rates. It is intended to indicate the total effect of all changes in the earnings of railway employees, whether arising out of real changes in the scale of pay, ordinary advances under existing scales, or overtime or short time. Returns are published from 27 companies, employing together over 90 per cent of the railway employees in the United Kingdom. The returns summarized in the following table cover the number of employees and the average earnings for the first week in December of each year from 1896 to 1902 in the passenger, freight, locomotive, and machinery construction departments:

AVERAGE EARNINGS OF RAILWAY EMPLOYEES IN 27 COMPANIES, FIRST WEEK IN DECEMBER, 1896 TO 1902.

Year.	Total employees.	Total wages.	Average earnings.
1896.....	380,114	\$2,220,973.27	\$5.84
1897.....	398,108	2,362,539.76	5.94
1898.....	412,304	2,471,753.75	6.00
1899.....	431,858	2,653,556.46	6.14
1900.....	440,347	2,686,025.74	6.10
1901.....	440,557	2,681,996.28	6.09
1902.....	448,429	2,721,244.60	6.07

Comparing averages the table shows that in the first week of December for the last three years the average earnings of the railway employees included in the returns were practically the same. Caution, however, is necessary in drawing inferences from these comparisons as regards general changes in the average weekly rates of pay, since the returns are a statement of earnings, not of rates of wages, and would be affected by changes (in the amount of overtime worked, for example) independently of any variation in weekly rates.

CHANGES IN HOURS OF LABOR.—The changes in hours of labor recorded in 1901 and in 1902 resulted, as in previous years, in a net reduction.

The number of working people whose weekly hours of labor were shortened during 1902 was 1,057,507, by far the greatest recorded since these statistics were first collected in 1893. This is due to the change in the weekly hours of those employed in textile factories and in printing, bleaching, and dyeing works. In these industries the maximum number of hours during which women, young persons, and children may be employed is now regulated by act of Parliament, and at the beginning of 1902 the working time on Saturdays was reduced by 1 hour, making the maximum weekly hours  $55\frac{1}{2}$ . The hours of men employed in these industries are not regulated by the act, but in the

majority of cases they were reduced at the same time. In all, over 1,000,000 working people in the textile trades had their weekly hours of labor reduced, either directly or indirectly, by the act.

The following table shows, by industries, the number of changes in the hours of labor and the number of employees affected during the year 1902:

CHANGES IN HOURS OF LABOR AND EMPLOYEES AFFECTED, BY INDUSTRIES, 1902.

Industries.	Changes in hours of labor.	Separate individuals affected by—		Total in- dividuals affected by changes in hours of labor.	Average weekly reduc- tion in hours of labor.
		Increases in hours of labor.	Decreases in hours of labor.		
Building .....	45	5,500	9,140	14,640	0.20
Mining and quarrying .....	4	.....	566	566	8.90
Metal, engineering, and shipbuilding .....	7	24	472	496	5.87
Textile .....	2	.....	1,037,000	1,037,000	.96
Clothing .....	2	.....	755	755	2.17
Miscellaneous .....	27	.....	3,701	3,701	3.30
Employees of public authorities .....	6	.....	349	349	7.51
Total .....	a 92	5,524	1,051,983	1,057,507	.97

<sup>a</sup>The sum of the items does not agree with this total. The figures, however, are reproduced as they appear in the original.

**METHODS OF ARRANGEMENT OF CHANGES.**—The changes in the rates of wages and hours of labor reported in 1901 and 1902 were arranged by mutual agreement of the parties concerned or otherwise, by conciliation or mediation, by arbitration, and (in the case of wage changes only) by the sliding wage scales.

The following table shows the number of persons affected by changes in wages and hours of labor during each year from 1896 to 1902, classified according to the agencies by which the changes were arranged:

METHOD BY WHICH CHANGES IN WAGES AND HOURS OF LABOR WERE ARRANGED, 1896 TO 1902.

Year.	Separate individuals affected by changes arranged without strikes.					Separate individuals affected by changes arranged after strikes.			
	Under sliding scale.	By con- ciliation or me- diation.	By arbi- tration.	By mu- tual ar- range- ment or other- wise.	Total.	By con- ciliation or me- diation.	By arbi- tration.	By mu- tual ar- range- ment or other- wise.	Total.
<b>CHANGES IN WAGES.</b>									
1896.....	136,288	43,601	4,920	360,075	544,884	11,559	174	51,037	62,770
1897.....	135,618	11,796	307	405,492	553,213	1,460	1,959	40,812	44,231
1898.....	169,003	25,659	3,850	764,622	963,134	1,015	2,050	48,970	52,035
1899.....	178,018	364,616	11,636	587,033	1,141,303	1,581	1,452	31,240	34,273
1900.....	183,889	469,520	5,827	421,590	1,080,826	1,030	3,780	50,150	54,960
1901.....	191,205	502,000	11,508	212,860	917,573	180	667	13,706	14,553
1902.....	172,988	536,959	2,600	165,010	877,557	136	1,457	11,206	12,799
<b>CHANGES IN HOURS.</b>									
1896.....	.....	300	1,500	85,474	87,274	2,758	.....	18,239	20,997
1897.....	.....	1,200	712	62,404	64,316	46	36	6,234	6,316
1898.....	.....	4,427	3,570	26,593	34,590	450	2,050	1,959	4,459
1899.....	.....	65	1,100	28,534	29,699	100	34	6,116	6,250
1900.....	.....	1,440	626	52,574	54,640	.....	285	2,801	3,086
1901.....	.....	450	13,195	12,860	26,505	9	53	2,709	2,771
1902.....	.....	3,330	.....	1,051,624	1,054,954	130	860	1,563	2,553

The number of separate individuals affected by changes of wages in 1902 which were preceded by strikes causing stoppage of work was even lower than in 1901, hitherto the lowest recorded. On the other hand, changes affecting 80 per cent of the working people were arranged by conciliation, arbitration, wages boards, sliding scales, or other conciliatory agencies. This large percentage is due to the fact that the changes in the coal and iron industries, in which the most widespread changes of wages occurred in 1902, are now usually arranged by such methods.

With regard to changes in hours of labor in 1902 the statistics are entirely dominated by the figures relating to the large number of operatives employed in the textile industries, in which the working hours on Saturdays were reduced in consequence of an act of Parliament which came into operation at the beginning of the year.

## DECISIONS OF COURTS AFFECTING LABOR.

[This subject, begun in Bulletin No. 2, has been continued in successive issues. All material parts of the decisions are reproduced in the words of the courts, indicated when short by quotation marks, and when long by being printed solid. In order to save space, matter needed simply by way of explanation is given in the words of the editorial reviser.]

### DECISIONS UNDER STATUTORY LAW.

**ALIEN CONTRACT LABOR—PROMISE OF EMPLOYMENT—CONSTRUCTION OF STATUTE.**—*United States v. Baltic Mills Company, United States Circuit Court of Appeals, Second Circuit, 124 Federal Reporter, page 38.*—In this case the Government sought to recover a penalty from the Baltic Mills Company for violation of what is known as the alien contract labor law of 1885, the principal clause relied on being an amendatory act passed March 3, 1891, which provides that it shall be deemed a violation of said act to assist or encourage the importation or immigration of any alien by promise of employment through advertisements printed or published in any foreign country. An exception is made as to States and immigration bureaus thereof advertising the inducements they offer for migration to such States. The Baltic Mills Company is a Connecticut corporation and had published in the Cotton Factory Times, a newspaper of the city of Manchester, England, the following advertisement:

“Wanted—First-class weavers on fine comb work, in one of the most beautiful villages in Connecticut, U. S. A. First-class weavers can earn per week 35s. to £2. Families preferred. Reasonable rents in six-room cottages on line of railroad and electric cars. This is a new mill starting up. None but first-class weavers and respectable people need apply. Baltic Mills Company, H. Lawton, Manager, Baltic, Conn., U. S. A.”

It is alleged that one Hargrave, a resident of the vicinity of Manchester, read this advertisement and in consequence thereof came to the United States and entered the service of the advertising company. The case was first heard in the United States district court for the district of Connecticut, at which hearing it was demurred to the complaint that it did not appear that the advertisement contained any promise of employment or was in violation of the provisions of said act. This demurrer was sustained by the court, and the case ordered dismissed. An appeal was taken to the circuit court of appeals and the opinion of

the district court was reversed, Judge Coxe dissenting. From the opinion of Judge Wallace, who delivered the judgment of the court, the following is quoted:

In legal definition a promise is a declaration, verbal or written, made by one person to another, for a good or valuable consideration, by which the promisor binds himself to do or forbear some act, and gives to the promisee a legal right to demand and enforce fulfillment. (*New comb v. Clark*, I Denio, 226-228.) In a general sense, it is a declaration "which binds the person who makes it, either in honor, conscience, or law, to do or forbear a certain act specified." One definition, according to Worcester, is "assurance of a benefit." The meaning of the term as used in the statute is not necessarily its meaning in legal definition. The rule that penal statutes are to be strictly construed is not violated by allowing their words to have full meaning, or even the more extended of two meanings, where such construction best harmonizes with the context.

The advertisement in question was an assurance to first-class weavers that they could find employment at their trade with the defendant which would yield a stated return varying between specified rates; but it was not equivalent to a contract to employ such as might apply, or to employ them for any definite period. A proposal addressed to some person in particular becomes a contract, if its terms are accepted by the promisee before it is withdrawn; but one addressed to the world at large does not become a contract until some one of those to whom it is addressed has performed its conditions. The employee whose services have been accepted by the employer pursuant to such a proposal may rely upon the terms of the proposal as to wages and other conditions expressed; but the promisee has no right of action for breach of the contract, express or implied, from the refusal of the promisor to employ him. The newspapers teem with advertisements for employees of all kinds, many of which specify the wages and other conditions of the service expected; but it has never been supposed that the person who offers himself for the employment, by the inducement of the advertisement, and is refused, can maintain suit for a breach of contract. The privilege of the advertiser to exercise his personal judgment as to the character and habits, and other qualifications generally, of the applicant, is an implied condition of his proposal, and no contract arises consequently until the applicant has been accepted.

It was the obvious purpose of the amendatory act to remedy the defects in the preexisting statute in two particulars. Under the pre-existing statute the penalty did not accrue unless (1) the alien had previous to his migration entered into a contract to perform labor or service in this country, and (2) had actually migrated here, and (3) the defendant had, by prepayment of transportation or otherwise, encouraged or assisted his migration, knowing that such a contract had been entered into.

The amendment was intended to dispense with the necessity of proving that there had been a contract with the alien "made previous to the importation or migration," or that there had been any other assistance or encouragement to his migration than a promise of employment. It adds to the acts penalized by the former statute another, and makes it penal to "assist or encourage" the migration "by promise of

employment through advertisement." The word "promise" is used in the sense in which advertisements commonly promise employment to applicants. Under the former statute there could be no antecedent contract by an advertisement, however explicit the terms of the promise might be, because the promise could not, until the alien entered upon its performance, become a contract. Under the present no antecedent contract is necessary, and it would seem to suffice if there is a promise of employment sufficiently explicit to induce those to whom it is addressed to apply to some particular employer in the expectation of receiving employment of a specified kind at specified compensation. The proviso indicates that Congress did not use the word "promise" in its strict legal meaning, but rather in the sense of an assurance or inducement to encourage aliens to migrate. The proviso withdraws from the operation of the section the "inducements advertised by States and immigration bureaus of States offered for immigration to such States." These advertisements do not ordinarily contain promises of employment in the nature of specific proposals, but contain assurances of opportunity for employment and of the remuneration that may be expected. The office of a proviso is to carve an exemption out of the enacting clause, to except something which would otherwise have been within it (*Wayman v. Southard*, 10 Wheat. 30, 6 L. Ed. 253; *Minis v. United States*, 15 Pet. 423, 10 L. Ed. 791); and this proviso denotes the intention of Congress to exempt States and their immigration bureaus from a liability which might otherwise be incurred by the advertisement of their inducements to immigrants. We are of opinion that any assurance of probable employment, definite as to the kind, the place, and the rate of wages, is a promise of employment within the meaning of the statute. If this conclusion is correct, the advertisement published by the defendant was within the interdicted class. Obviously both the defendant and the alien regarded the advertisement as holding out a promise of employment specific enough to induce the alien to migrate and accomplish the purpose intended by the defendant.

The question which was presented by the demurrer is not altogether free from doubt, especially in view of the very strict construction which the courts have placed upon the alien contract labor law; but we are constrained to the conclusion that the complaint was sufficient.

The judgment is reversed, with instructions to the court below to order judgment for the plaintiff, but without prejudice to an application by the defendant for leave to answer.

Judge Coxe, dissenting, spoke in part as follows:

Two propositions are, in my judgment, established beyond controversy: First, in order to bring the defendant in error within the statute, there must be proof that it assisted or encouraged the migration of Hargrave "by promise of employment," and, second, the advertisement in question contains no such promise.

There is no ambiguity in the statute. Its meaning is plain. There is, therefore, no necessity for resorting to extrinsic considerations or contemporaneous debate to arrive at its proper construction. The plaintiff in error seeks an interpretation which eliminates the words "by promise of employment" altogether, or he seeks to accomplish the same result by making the word "promise" synonymous with "expectation" or "hope." The word has never been so construed when used in legal documents or statutes. It means an "engagement,"

"undertaking," "assurance," "obligation" or "agreement." If not actually a contract it implies a declaration which becomes such when accepted by the person to whom it is addressed. Had the advertisement in question contained such a promise the migration of Hargrave pursuant thereto would probably be deemed an acceptance. The advertisement contains no promise of any kind. It is hardly more than a statement of facts and conditions existing at the Baltic Mills. The newspaper press teems with similar "want" advertisements. It can not be seriously contended that one who advertises for a coachman or a cook has made a "promise of employment." On the contrary, he is at liberty to reject, arbitrarily, all applicants.

It was admitted at the argument by the learned district attorney that the Baltic Mills Company was under no legal obligation to employ emigrants coming here from Manchester. They could have turned all alien applicants from their mills without a word of explanation, and there would have been no redress.

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**CONTRACTS OF EMPLOYMENT—ENFORCEMENT—PEONAGE—CONSTITUTIONALITY OF STATUTE—*Peonage Cases, United States District Court for the Middle District of Alabama, 123 Federal Reporter, page 671.***—This opinion was delivered by District Judge Jones in response to questions propounded by the grand jury relative to peonage and involuntary servitude in the State of Alabama. The discussion is quite lengthy and involves a consideration of the historical reasons as well as the legal principles on which the Federal statute prohibiting peonage (Rev. Stat., sec. 5526, U. S. compiled Stat., 1901, p. 3715) is based. The discussion also involves a consideration of the constitutionality of the Alabama law regulating labor contracts, passed March 1, 1901, act No. 483, acts of 1900–1901.

From Judge Jones's summary the following is quoted as being of general interest:

1. A person who hires another, and induces him to sign a contract by which he agrees during the term to be imprisoned or kept under guard, and under cover of such agreement afterwards holds the party to the performance of the contract by threats or punishment, or undue influence, subduing his free will, when he desires to abandon the service, is guilty of holding such a person to "a condition of peonage."

5. If a defendant, convicted of a misdemeanor, signs in open court a written contract, approved in writing by the judge, in consideration of another becoming his surety on confession of judgment for the fine and costs, and is thereupon released, the law of the State treats him as a convict who has resigned himself to the custody of his surety to escape that of the State, and the surety may restrain him of his liberty, and invoke the aid of the State law to compel the service. This provision applies only to cases in which there has been a lawful conviction, and a written contract, signed in open court, approved in writing by the judge. The contract can not extend beyond securing the fine and costs while they are being worked out. It can not be made, as has been repeatedly declared by the supreme court of this State, the basis

of a contract for additional service on payment of advances, and the convicted person can not be held in involuntary servitude for their payment.

6. Although one may have confessed judgment for another on his conviction, the surety is not entitled on that account to detain him in custody against his will, as his bail would be before trial, unless the surety has complied with the statutes of the State, and made written contract in open court, approved by the judge in writing. This is a safeguard which the State exacts to prevent abuse and oppression when the surety intends to hold his principal to involuntary service to reimburse him for the payment of the fine and costs. As such an agreement involves personal trust and confidence on the part of the convict in the selection of a keeper, his surety has no authority, without his consent, to transfer the contract and custody of the convict to some other person, who repays to the surety the fine and costs, and enforces the performance of the service. If there is no written contract approved by the court, or if it is transferred without the consent of the convict, the convict can not be held against his will to perform service to repay his fine and costs. If one holds another convicted of a misdemeanor, against his will, because he has confessed judgment for the fine and costs, without obtaining a written contract in open court, approved in writing by the judge, or holds him against his will, after the fine and costs have been worked out, for advances upon a further term of service, or prevents his leaving by force or threats as above defined, such person is guilty of holding the person in a condition of peonage.

9. The act of the legislature of Alabama, approved March 1, 1901 (acts 1900-1901, p. 1208, sec. 1), about which you inquire, makes it a penal offense, where a person, who has "contracted in writing to labor for or serve another for any given time, or any person who has by written contract leased or rented land from another for any specified time, or any person who has contracted in writing with the party furnishing lands, or the lands and teams to cultivate it, either to furnish the labor, or the labor and teams, to cultivate the lands," afterwards, without the consent of the other party, and without sufficient excuse, to be adjudged by the court, "shall leave such other party or abandon said contract, or leave or abandon the leased premises or land as aforesaid," and take employment of a similar nature from another person, without first giving him notice of the prior contract.

Under the statute, the laborer or renter has done no criminal act in leaving or in abandoning the contract or premises. The act does not make the leaving an offense. All that amounts to, under this statute, is a breach of a civil contract. That creates only the relation of debtor and creditor. The statute, on the foundation, for the reason, that the relation of creditor and debtor results from the breach of the contract, commands the debtor, on peril of hard labor, not to work at his accustomed vocation for anyone else, during the term of the contract, without the permission of the creditor, unless he informs his new employer of the first contract. Another statute, providing for this very contingency, declares, if the laborer or renter does inform the person of whom he seeks employment, the latter shall incur heavy pains and penalties if he employs him without the first employer's permission.

What is this but declaring, if a man breaks his contract with his creditor without just excuse, he shall not work at his accustomed voca-

tion for others without permission of the creditor? What is this but a coercive weapon placed by the law in the hands of the employer to compel the debtor to pay a debt, to perform the contract? Under the constitution of Alabama there can be no imprisonment for debt, nor can it be treated, directly or indirectly, as a crime. The only constitutional method of enforcing a contract for personal service is to get judgment and execution, and have compensation for the broken contract by seizure and sale of the defendant's property.

The whole scheme and purpose and the inevitable effect of these statutes are to coerce the laborer or renter to pay a debt, return to a personal service, by stress of penal enactments leveled at his person in the one instance, and against his right to work in the other. No man can be lawfully compelled to disclose differences with former employers, or breaches of contract with others, as a condition precedent to the right lawfully to engage in the service of another, in order to coerce him to pay a debt or perform a contract of personal service. The debtor can not be compelled to put himself upon the blacklist that he may be prevented from getting work without an employer's consent, in order to coerce him to the performance of a contract of personal service or the payment of a debt. All such legislation is plainly violative of our State constitution.

Certain counties of the State are exempt from any application of this law, and the court held that the act was repugnant to the constitution of the State as creating both local and class distinctions. The concluding paragraph refers to its relation to the Constitution of the United States, as follows:

A person convicted and put to hard labor for violating the provisions of this statute, because he did not give notice of the first employment before entering upon the second, is restrained of his liberty in violation of the Constitution of the United States, and is entitled to discharge on habeas corpus, notwithstanding he is held under a final judgment of a State court which remains unappealed and unreversed. (*Ex parte Royall*, 117 U. S., 241; 6 Sup. Ct., 734; 29 L. Ed., 868.) The act is plainly violative of the thirteenth amendment to the Constitution, and the statute passed, in pursuance thereof, against peonage. It establishes a system of peonage, and uses the arm of the law to keep persons in "a condition of peonage," whenever they "abandon the leased premises," by coercing performance of the "obligation" of contracts of "labor or service" by involuntary service.

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EIGHT-HOUR LAW—MUNICIPAL CORPORATIONS—CONSTITUTIONALITY OF STATUTE—*Atkin v. State*, *United States Supreme Court*, No. 30, October Term, 1903.—This was an appeal by W. W. Atkin from a judgment by the supreme court of Kansas (see Bulletin of the Department of Labor, No. 40, p. 604), declaring the application to this case of what is known as the "Eight-hour law" of Kansas, and affirming the judgment of the district court of Wyandotte County, assessing a penalty on Atkin for a violation of said law.

This act was passed in 1891, and its first two sections read as follows:

SECTION 1. Eight hours shall constitute a day's work for all laborers, workmen, mechanics, or other persons now employed, or who may hereafter be employed by or on behalf of the State of Kansas, or by or on behalf of any county, city, township or other municipality of said State, except in cases of extraordinary emergency which may arise in time of war or in cases where it may be necessary to work more than eight hours per calendar day for the protection of property or human life: *Provided*, That in all such cases the laborers, workmen, mechanics or other persons so employed and working to exceed eight hours per calendar day shall be paid on the basis of eight hours constituting a day's work: *Provided further*, That not less than the current rate of per diem wages in the locality where the work is performed shall be paid to laborers, workmen, mechanics and other persons so employed by or on behalf of the State of Kansas, or any county, city, township or other municipality of said State; and laborers, workmen, mechanics, and other persons employed by contractors or subcontractors in the execution of any contract or contracts within the State of Kansas, or within any county, city, township or other municipality thereof shall be deemed to be employed by or on behalf of the State of Kansas or of such county, city, township or other municipality thereof.

SEC. 2. All contracts hereafter made by or on behalf of the State of Kansas, or by or on behalf of any county, city, township or other municipality of said State, with any corporation, person or persons, for the performance of any work or the furnishing of any material manufactured within the State of Kansas, shall be deemed and considered as made upon the basis of eight hours constituting a day's work; and it shall be unlawful for any such corporation, person or persons to require or permit any laborer, workman, mechanic or other person to work more than eight hours per calendar day in doing such work or in furnishing or manufacturing such material, except in the cases and upon the conditions provided in section 1 of this act.

The third section makes any officer of Kansas, or of any county, city, township, or municipality of that State, or any person acting under or for such officer, or any contractor with the State, or any county, city, township, or other municipality thereof, or other person violating any of the provisions of this act, liable for each offense, and subject to be punished by a fine of not less than \$50 nor more than \$1,000, or by imprisonment not more than six months, or by both fine and imprisonment, in the discretion of the court.

The constitutionality of this law had been affirmed by the supreme court of Kansas in the case *In re Dalton*, 59 Pac., 336 (see Bulletin of the Department of Labor, No. 28, p. 610), and this phase of the question was not considered by that court in its discussion of this case. The appeal was based, however, on the claim that the law was unconstitutional in that it deprived the appellant, Atkin, of his liberty and property without due process of law, and denied him the equal protection of the laws.

The following facts appear in an agreed statement: That Atkin had contracted with the municipal corporation of Kansas City, Kans., to do the labor and furnish the materials for paving Quindaro boulevard, a public street of that city; that he employed, among others, one George Reese to perform labor in that connection; that he permitted Reese to labor more than eight hours on each calendar day although there was no emergency or necessity requiring the same; that the agreement with Reese was that he should receive 15 cents per hour and no more, the current rate of wages for such work in that locality being \$1.50 for ten hours' labor per day; that Atkin required of Reese that he work ten hours per day in order to be entitled to the current rate of wages of \$1.50; that Reese was neither compelled nor requested to work more than eight hours per day, but did so voluntarily and was permitted and allowed to work ten hours in each calendar day in order to earn \$1.50 in such day; that the labor in which Reese was engaged was neither hazardous nor unhealthful and could be performed for a period of ten hours each working day without injury, and was in all respects the same, whether done for a municipality, or for a private person, or corporation; that Reese had solicited employment, and that neither he nor Atkin intended or expected that the former should receive the same compensation for eight hours' work as was paid customarily for ten hours' work; that the employment was without the knowledge or consent of the city, Reese being the servant of Atkin and not of the city; and that the contract between Atkin and the city did not contain any provision as to the number of hours laborers should work nor as to their compensation.

The constitutionality of the law was affirmed, Chief Justice Fuller and Justices Brewer and Peckham dissenting. From the remarks of Justice Harlan, who delivered the opinion of the court, the following is quoted:

The case has been stated quite fully, in order that there may be no dispute as to what is involved and what not involved in its determination. \* \* \* Assuming that the statute has application only to labor or work performed by or on behalf of the State, or by or on behalf of a municipal corporation, the defendant [Atkin] contends that it is in conflict with the fourteenth amendment. He insists that the amendment guarantees to him the right to pursue any lawful calling, and to enter into all contracts that are proper, necessary or essential to the prosecution of such calling; and that the statute of Kansas unreasonably interferes with the exercise of that right, thereby denying to him the equal protection of the laws.

"If a statute," counsel [for defendant] observes, "such as the one under consideration is justifiable, should it not apply to all persons and to all vocations whatsoever? Why should such a law be limited to contractors with the State and its municipalities? Why should the law allow a contractor to agree with a laborer to shovel dirt for ten hours a day in performance of a private contract, and make exactly the same act under similar conditions a misdemeanor when done in the

performance of a contract for the construction of a public improvement? Why is the liberty with reference to contracting restricted in the one case and not in the other?"

These questions—indeed, the entire argument of defendant's counsel—seem to attach too little consequence to the relation existing between a State and its municipal corporations. Such corporations are the creatures, mere political subdivisions, of the State for the purpose of exercising a part of its powers. They may exert only such powers as are expressly granted to them, or such as may be necessarily implied from those granted. What they lawfully do of a public character is done under the sanction of the State. They are, in every essential sense, only auxiliaries of the State for the purposes of local government. They may be created, or, having been created, their powers may be restricted or enlarged, or altogether withdrawn at the will of the legislature; the authority of the legislature, when restricting or withdrawing such powers, being subject only to the fundamental condition that the collective and individual rights of the people of the municipality shall not thereby be destroyed. [Cases cited.] In the case last cited [*Williams v. Eggleston*, 170 U. S. 304, 310] we said that "a municipal corporation is, so far as its purely municipal relations are concerned, simply an agency of the State for conducting the affairs of government, and as such it is subject to the control of the legislature." \* \* \* \*

The improvement of the boulevard in question was a work of which the State, if it had deemed it proper to do so, could have taken immediate charge by its own agents; for, it is one of the functions of government to provide public highways for the convenience and comfort of the people. Instead of undertaking that work directly, the State invested one of its governmental agencies with power to care for it. Whether done by the State directly or by one of its instrumentalities, the work was of a public, not private, character.

If, then, the work upon which the defendant employed Reese was of a public character, it necessarily follows that the statute in question, in its application to those undertaking work for or on behalf of a municipal corporation of the State, does not infringe the personal liberty of anyone. \* \* \* Whatever may have been the motives controlling the enactment of the statute in question, we can imagine no possible ground to dispute the power of the State to declare that no one undertaking work *for it or for one of its municipal agencies*, should permit or require an employee on such work to labor in excess of eight hours each day, and to inflict punishment upon those who are embraced by such regulations and yet disregard them. It can not be deemed a part of the liberty of any contractor that *he* be allowed to do public-work in any mode he may choose to adopt, without regard to the wishes of the State. On the contrary, it belongs to the State, as the guardian and trustee for its people, and having control of its affairs, to prescribe the conditions upon which it will permit public work to be done on its behalf, or on behalf of its municipalities. No court has authority to review its action in that respect. Regulations on this subject suggest only considerations of public policy. And with such considerations the courts have no concern.

If it be contended to be the right of everyone to dispose of his labor upon such terms as he deems best—as undoubtedly it is—and that to make it a criminal offense for a contractor for public work to

permit or require his employee to perform labor upon that work in excess of eight hours each day, is in derogation of the liberty both of employees and employer, it is sufficient to answer that no employee is entitled, of absolute right and as a part of his liberty, to perform labor for the State; and no contractor for public work can excuse a violation of his agreement with the State by doing that which the statute under which he proceeds distinctly and lawfully forbids him to do.

So, also, if it be said that a statute like the one before us is mischievous in its tendencies, the answer is that the responsibility therefor rests upon legislators, not upon the courts. No evils arising from such legislation could be more far-reaching than those that might come to our system of government if the judiciary, abandoning the sphere assigned to it by the fundamental law, should enter the domain of legislation, and upon grounds merely of justice or reason or wisdom annul statutes that had received the sanction of the people's representatives. We are reminded by counsel that it is the solemn duty of the courts in cases before them to guard the constitutional rights of the citizen against merely arbitrary power. That is unquestionably true. But it is equally true—indeed, the public interests imperatively demand—that legislative enactments should be recognized and enforced by the courts as embodying the will of the people, unless they are plainly and palpably, beyond all question, in violation of the fundamental law of the Constitution. It can not be affirmed of the statute of Kansas that it is plainly inconsistent with that instrument; indeed its constitutionality is beyond all question.

Equally without any foundation upon which to rest is the proposition that the Kansas statute denied to the defendant or to his employee the equal protection of the laws. The rule of conduct prescribed by it applies alike to all who contract to do work on behalf either of the State or of its municipal subdivisions, and alike to all employed to perform labor on such work.

Some stress is laid on the fact, stipulated by the parties for the purposes of this case, that the work performed by defendant's employee is not dangerous to life, limb or health, and that daily labor on it for ten hours would not be injurious to him in any way. In the view we take of this case, such considerations are not controlling. We rest our decision upon the broad ground that the work being of a public character, absolutely under the control of the State and its municipal agents acting by its authority, it is for the State to prescribe the conditions under which it will permit work of that kind to be done. Its action touching such a matter is final so long as it does not, by its regulations, infringe the personal rights of others; and that has not been done.

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EIGHT-HOUR LAW—POLICE POWER—CONSTITUTIONALITY OF STATUTE—*People v. Orange County Road Construction Company, Court of Appeals of New York, 67 Northeastern Reporter, page 129.*—This case came before the court of appeals on appeal from the appellate division of the supreme court. The case was originally heard in the county court for Orange County. The Orange County Road Construction Company was indicted for a violation of the eight-hour law, it being

at the time a contractor with the county of Orange for the improvement of a public highway. It was charged that certain of its employees had been required to work more than eight hours for a day's labor. The company demurred to the indictment, claiming that no crime was charged because the section of the code quoted was unconstitutional and void. The county court sustained the demurrer, whereupon the case was taken to the appellate division, which reversed the judgment of the court below and held the indictment good. The company then made this appeal, with the result that the law was declared unconstitutional by a divided bench. Judge Cullen, with whom three members of the court concurred, said in part:

It seems to me to be entirely clear that the statute can not be upheld as an exercise of the police power vested in the legislature. I should think the proposition too plain for debate. But if this assertion be considered dogmatic, then I say that the question is settled by the decision both of this court and the Supreme Court of the United States. While the field for the exercise of the police power, subject to which all property is possessed by the citizen, and all his callings or vocations must be pursued, is very broad—so broad that no court has sought to define accurately its extent—still it is subject to recognized limitations. In the interest of public health, of public morals, and of public order, a State may restrain and forbid what would otherwise be the right of a private citizen. It may enact laws to regulate the extent of the labor which women and children or persons of immature years shall be allowed to perform, and prohibit altogether their employment in dangerous occupations. (*Commonwealth v. Hamilton Manufacturing Co.*, 120 Mass., 383; Tiedeman's Police Power, sec. 85.) It may limit the hours of employment of adults in unhealthy work (*Holden v. Hardy*, 169 U. S., 366; 18 Sup. Ct., 383; 42 L. Ed., 780), and it may be that it could prohibit the performance of excessive physical labor in all callings. But while it is generally for the legislature to determine what laws and regulations are needed to protect the public health and serve the public comfort and safety, such measures must have some relation to these ends. The statute now before us does not deal with the character of the work, the age, sex, or condition of the employees, nor even the personality of the employer, but applies only to the case of a contract with the State or a municipality. What possible bearing on the health or security of the employees or on public health has the fact that the employer is executing a contract for the construction or performance of a State or municipal work? The defendant might be constructing in the next town a road for a turnpike company or for its own use. In this work it could require labor for as many hours a day as it saw fit, and could get workmen to perform. Yet the same action, involving exactly the same character of work, when done in performance of a contract with the public, is by this statute made criminal. If we assume that a general statute forbidding in all cases the performance of physical labor for more than eight hours out of the twenty-four would be constitutional, that concession would not sustain the validity of the act before us. The vice of the statute is the arbitrary distinction drawn between persons contracting with the State and other employers.

It is urged that the work is a State work, and that the legislature may prescribe rules for the manner in which it is to be performed. As a general proposition, this is doubtless true. The State may prescribe regulations for the conduct of its employees. Those employees must comply with the mandate of the legislature. If, in the case of a private person, his foreman or manager should, in intentional violation of the master's command, exact more than eight hours' work a day from the men working under him, the master might discharge him, even though his contract of employment was for a definite term. In the case of the State, the employer being not only master, but sovereign, it may be that it could go further, and make the violation of its mandates criminal. This statute, however, does not deal with employees—at least not exclusively with them. The section reads: "Any person or corporation who, contracting with the State or a municipal corporation, shall require more than eight hours' work, for a day's labor \* \* \* is guilty of a misdemeanor." The statute does not define the meaning of "contracting with the State or a municipal corporation." Doubtless a person who is a mere employee of the State or of a municipal corporation contracts for the performance of his service. I suppose, however, the statute was intended to apply to the case of what is known in law as an "independent contractor;" that is to say, one who contracts to perform the work at his own risk and cost, —the workmen being his servants, and he (not the State or corporation with whom he contracts) being liable for their misconduct. If it does not apply exclusively to such contractors, it includes them. If not, that is the end of this case, for it does not appear in the indictment that the defendant was not an independent contractor. Now, while, as I have said, if the State itself prosecutes a work, it may dictate every detail of the service required in its performance—prescribe the wages of workmen, their hours of labor, and the particular individuals who may be employed; —no such right exists where it has let out the performance of the work to a contractor, unless it is reserved by the contract. The State in this respect stands the same as its citizens. Its rights are just as great as those of private citizens, but no greater.

As the law can not be upheld either as a valid exercise of the police power or because the work was being done for the State, to sustain it some other ground must be found on which it may rest. Only one is suggested. It is contended that the legislature may punish criminally a violation by the contractor of his obligations assumed under the provisions of this law. This presents the question of whether the legislature can make the breach of a civil contract, solely as such, a criminal offense. I am not now prepared either to assert or deny the correctness of the proposition. Granting, however, the claim that the legislature can provide for the punishment criminally of a willful violation by the contractor of the contract provisions alluded to, it is sufficient to say that the statute before us does not purport to do anything of that kind. If it had provided that any person who, having contracted with the State or a municipality not to require or suffer his employees or workmen to labor more than eight hours a day, should violate that agreement, then the question discussed would be presented. Prior to and at the time of the enactment of the section of the Penal Code no law had ever required municipal or State contracts to contain any stipulation as to the time the contractors'

workingmen should be suffered or required to labor. The labor law, as originally passed, on the same day authorized, in express terms, overwork for extra compensation in the performance of State and municipal contracts. The penal statute draws no distinction between contractors whose contracts had been made prior to its enactment and those who might contract subsequently. To fall within its provisions, it was sufficient that on the day after its enactment a contractor should require more than eight hours' work a day, though he was engaged in the performance of a contract years old, and containing no agreement relating to the hours of labor. The statute does not assume to punish an offender against its provisions because he has violated any contract, but solely because he has done the prohibited act, i. e., required more than eight hours' labor, regardless of the terms and conditions of his contract. The statute should therefore be condemned in its entirety, and can not be upheld as to the limited class of cases in which it may be the legislature had the power to act, but has not acted.

The order should be reversed, the demurrer sustained, and the defendant discharged.

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EMPLOYERS' LIABILITY—RAILROAD COMPANIES—CONTROL OF LOCOMOTIVE—CONSTRUCTION of STATUTE—*Louisville and Nashville Railroad Company v. Goss*, Supreme Court of Alabama, 34 Southern Reporter, page 1007.—Peter F. Goss sued the above-named railroad company to recover damages for injuries received while acting as a locomotive engineer in its employment. The injuries for which Goss sued were received while he was under the locomotive engaged in packing a hot box. While in that situation he ordered the fireman to move the reverse lever backward three feet. By a misunderstanding the fireman moved the locomotive, in consequence of which the injuries sued for were inflicted. The plaintiff's right of action was based on subdivision 5 of section 1749 of the Code of 1896, known as the Employers' Liability Statute, and the principal question for consideration was whether the fireman was at that time a person in charge or control of a locomotive within the contemplated meaning of the statute. Judgment was granted Goss in the circuit court of Jefferson County, from which an appeal was taken resulting in a reversal of the judgment of the court below.

The opinion of the court was delivered by Judge Dowdell, from whose remarks the following is quoted:

The facts without conflict show that the fireman was in the engine cab in obedience to the command of the plaintiff, and there to carry out the orders of the latter while he was under the engine for the purpose of packing the hot box. The fact that the engineer was under the engine while the fireman was in the cab did not change their relations, one to the other, as to authority and control. In point of superiority, the engineer was as much present and in charge and control of the locomotive as if he had been on his seat in the cab directing the fireman in the performance of some act. It is not in the power of the engineer, as long as he is present, by any act of his, to

change the relationship between himself and the fireman, as to superior authority in the management and control of a locomotive, so as to fix a liability on the master for the negligent conduct of the fireman. The statement of the engineer that the fireman was in charge of the locomotive at the time of the accident can be regarded as nothing but the opinion of the witness, and the statement of an erroneous conclusion on the undisputed facts in the case.

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**EMPLOYERS' LIABILITY—RAILROAD COMPANIES—EFFECT OF STATUTORY PROVISIONS—*Snyder v. Pennsylvania Railroad Company, Supreme Court of Pennsylvania, 55 Atlantic Reporter, page 778.***—This was an action by Minerva B. Snyder to recover damages for the death of her husband. Snyder was a fireman in the employment of the defendant company and was killed as a result of the derailing of the locomotive, caused by running over cattle on the railway track in Center County, Pa. Two statutory provisions were relied upon as giving grounds for recovery of the damages sought. First, that the railroad company had not, although engaged in interstate commerce, equipped its cars with automatic car brakes as prescribed by the act of Congress of March 2, 1893. Second, that it had neglected to maintain fences along the line of the road where the accident occurred, as provided by a special act of the legislature applying only to Center County. The court of common pleas of Center County had denied the right of the plaintiff to recover, which judgment was affirmed by the supreme court. The language of the court as to the points named is in part as follows:

It is argued that, if defendant had complied with the requirements of the act of Congress as to air brakes, the train could have been stopped after the cattle were seen; or, if it had complied with the special act requiring the fencing of the track they would not have been upon it. The learned trial judge was of the opinion that the accident was caused by the negligence of the locomotive engineer on whose engine Snyder was serving as fireman: \* \* \* that on the undisputed facts the equipment of the cars with the air brake could not have prevented the accident, or, rather, that the absence of such equipment in no way contributed to it, and therefore that negligence in that particular can not be imputed to defendant so as to fix a liability in this case.

We decline at this time to pass any opinion on the effect of the act of Congress requiring air brakes upon cars of railroads engaged in interstate commerce, because such opinion is not necessary. Whether the Constitution of the United States authorizing Congress to regulate interstate commerce extends so far as to compel the adoption of an air brake on traffic wholly within the State carried on in obedience to its charter and strictly within State laws, may become a question where the cause of the accident is attributable to a neglect of the provisions of the act of Congress. But that is not this case. Under the facts here, the absence of the automatic air brake was in no sense the cause of the accident, and consequently has no part in the decision of the cause.

As to the special act requiring fencing, there is no doubt, on the authorities cited, that in those States having general laws requiring all railroads to fence their right of way, a very different degree of responsibility would be imposed, because there the fencing is required for the protection of the general public from injury; but here the special act is to provide for the payment to the owner of cattle his loss from neglect to fence. As was aptly said in *Carper v. Receivers of Norfolk and Western Railroad Company*, 78 Fed. 94, 23 C. C. A. 669, 35 L. R. A. 135, as to a Virginia statute: "So far as the owner of stock is concerned, the remedy is plain and adequate. Had the legislature intended to provide an additional liability on railroad companies for injuries to persons brought about by the failure of such companies to construct fences at the places designated in the statute, it would certainly, concerning a matter of such universal importance, have used apt and unequivocal language."

The judgment is affirmed.

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**EMPLOYERS' LIABILITY—RIGHT OF ACTION FOR INJURIES CAUSING DEATH—CONSTITUTIONALITY OF STATUTE—*Utah Savings and Trust Company v. Diamond Coal and Coke Company*, Supreme Court of Utah, 73 Pacific Reporter, page 524.**—This was an action brought by the trust company, as administrator of the estate of John Tasanen, to recover damages from the coal and coke company for the death of the deceased while engaged as a miner in its employment in its mines in the State of Wyoming. While Tasanen was engaged in the proper place of his employment a fire broke out, supposedly in the shack or room in one of the entries in which combustible material had accumulated, which fire cut off his usual mode of exit from the mines. When the fire was discovered, instructions were given as to how egress might be obtained, but none of the men in the portion of the mine in which Tasanen was at work escaped except the drivers. The district court of Weber County gave judgment in favor of the plaintiff, from which the coal company appealed. The supreme court affirmed the judgment of the court below. Section 3448, Revised Statutes of 1899, provides for a recovery for the death of a person caused by wrongful act, neglect, or default, where if death had not ensued the party injured could have maintained an action to recover damages in respect thereof. The next section limits such damages to the sum of \$5,000, and provides that every such action shall be brought by and in the name of the personal representative of such deceased person. Subsequently to the enactment of this statute a provision of the constitution authorized recovery in the case of injury or death resulting from the failure of any mining company to comply with mine regulations that might be enacted by the State legislature, and another section of the constitution prohibited the enactment of a law limiting the amount of damages to be recovered for causing the injury or death of any person. The mining company based its appeal on the points presented

in these provisions of law, which were disposed of by Judge McCarty, who delivered the opinion of the court, in the following manner:

Appellant insists that section 3449 is in conflict with the provisions of the constitution, because it attempts to limit the amount of damages in this class of cases to \$5,000, and therefore was not continued in force by section 3, article 21, of the constitution. It is elementary that where a part of a statute is in conflict with the constitution, but the remainder is in harmony with it, if it can be done the parts will be separated, and that which is constitutional will be upheld. Black (Int. Law, p. 96), thus states the rule: "It frequently happens that some parts, features, or provisions of a statute are invalid by reason of repugnancy to the constitution, while the remainder of the act is not open to the same objections. In such cases it is the duty of the courts not to pronounce the whole statute unconstitutional, but, rejecting the invalid portions, to give effect and operation to the valid portions." Judge Cooley, in his work on Constitutional Limitations (6th ed. p. 211) in part says: "If when the unconstitutional part is stricken out, that which remains is complete in itself, and capable of being executed in accordance with the apparent legislative intent, wholly independent of that which is rejected, it must be sustained." This doctrine has been repeatedly declared and followed by this court. (*State v. Beddo*, 22 Utah, 432, 63 Pac. 96; *Ritchie v. Richards*, 14 Utah, 345, 47 Pac. 670; *Eureka v. Wilson*, 15 Utah, 65, 48 Pac. 150, 62 Am. St. Rep. 904; *Ex parte Duncan*, 1 Utah, 81.) That portion of the Wyoming statute limiting the amount of recovery in this class of cases to \$5,000, while it is repugnant to the provisions of the constitution of that State, is susceptible of being separated from the remainder of the act, which is not open to the same objection; and when so severed the part of the act not in conflict with the constitution is complete in itself, and capable of being enforced in conformity with the general purpose of the act. (*Dunn v. City of Great Falls*, 13 Mont. 58, 31 Pac. 1017.)

The next contention of appellant is that the trust created by the statute of Wyoming can only be enforced by a trustee appointed in that jurisdiction. While there are a few decisions to the contrary, the great weight of authority holds that a legal liability once created, either by the rules of the common law or by statute, can be enforced, and a right of action maintained, in any court having jurisdiction of such matters, provided jurisdiction of the parties can be obtained, and the action itself is not opposed to good morals or the policy of the State where it is brought. In the case of *White v. Railway Co.* (25 Utah, 346, 71 Pac. 593), Mr. Chief Justice Baskin, in discussing this question, says: "While there is some conflict of decision on the subject, it is generally held that a right given by the statute of one State will be recognized and enforced in the courts of another State."

Continuing the court said:

At the close of the testimony for respondent, appellant moved the court for a nonsuit on the ground that no damages had been proved, and the action of the court overruling the motion is now alleged as error. The record shows that deceased at the time of his death was a stout, healthy man, 42 years of age, and that his son, who was 20 years of age, was living with him. Under these circumstances, the question of damages was one for the jury to determine; and the trial court having properly submitted this question to it, under the constitution

and a long list of decisions of this court on this question, we are powerless to interfere, even though we might differ with the jury as to what would, under the facts disclosed, be a fair and just verdict.

The contention that the evidence shows contributory negligence on the part of the deceased is entirely unsupported by the evidence. There is not a word of testimony that tends to show that the deceased knew, or that it was his place to know, what the conditions were in and around the shack; and he had a right to assume that the company would do its duty, and exercise ordinary care and caution to prevent fires and other casualties in the mine where he was at work.

We find no reversible error in the record. The judgment is affirmed, with costs.

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FREE PUBLIC EMPLOYMENT OFFICES—EMPLOYERS HAVING EMPLOYEES ON STRIKE—CONSTITUTIONALITY OF STATUTE—*Mathews v. People, Supreme Court of Illinois, 67 Northeastern Reporter, page 28.*—Murray Mathews was convicted in the criminal court for Cook County of operating a private employment agency for hire without a license and without having given bond. He appealed on the ground that the law on which the action was based was unconstitutional. There was no controversy as to the facts, and the section having special application to his case was not in itself unconstitutional, but the law contained a provision for the establishment of free public employment offices, one clause of which forbade the furnishing of lists of applicants for positions to employers whose employees were on strike or locked out. (For full text of the law see Bulletin of the Department of Labor, No. 22, page 491.) The supreme court held that this discriminating provision was unconstitutional and that it so permeated the whole law that no part of it could be enforced. Judge McGruder announced the decision of the court in an elaborate opinion, from which the following is quoted:

All the way through the act, the employer seeking men to work for him, and the employee seeking work to do, are placed upon the same footing, and are equally entitled to the benefits of the act in question. Employers, however, are arbitrarily divided into two classes—one class where a strike or lockout may exist, and another class where no strike or lockout exists. There is no rational basis in law or justice for this distinction, where the language is so broad as to include as well those who have caused the strike or lockout for good reasons as those who have caused such strike or lockout without any good reason. The prohibition contained in section 8 not only affects the class of employers there named, but it also affects the persons seeking employment, with whom such employers might otherwise come in contact; that is to say, not only the employers whose men are on a strike or are locked out are affected by the prohibition, but laborers or employees who might desire to fill the places of the employees who are on a strike or are locked out are also affected by it. The applicants for employment are deprived of the privilege of working for the class of employers named in section 8. That section, therefore, strikes at the interests of applicants for work and of employers seeking work or labor.

An employer whose workmen have left him and gone upon a strike, particularly when they have done so without any justifiable cause, is entitled to contract with other laborers or workmen to fill the places of those who have left him. Any workman seeking work has a right to make a contract with such an employer to work for him in the place of any one of the men who have left him to go out upon a strike. Therefore, the prohibition contained in section 8 strikes at the right of contract, both on the part of the laborer and of the employer. It is now well settled that the privilege of contracting is both a liberty and a property right. Liberty includes the right to make and enforce contracts, because the right to make and enforce contracts is included in the right to acquire property. Labor is property. To deprive the laborer and the employer of this right to contract with one another is to violate section 2 of article 2 of the constitution of Illinois, which provides that "no person shall be deprived of life, liberty or property without due process of law." It is equally a violation of the fifth and fourteenth amendments of the Constitution of the United States, which provide that no person shall be deprived of life, liberty, or property without due process of law, and that no State shall deprive any person of life, liberty, or property without due process of law, "nor deny to any person within its jurisdiction the equal protection of the laws." [Cases cited.]

Section 8 draws an unwarrantable distinction between workmen who apply for situations to employers where there is no strike or lockout and workmen who do not so apply, and it also draws an unwarrantable distinction between employers who may have the misfortune to be the victims of a strike or lockout and employers who do not have such misfortune; that is to say, section 8 does not relate to persons and things as a class, or to all employers, but only to those who have not been the victims of strikes or lockouts. "Where a statute does this—where it does not relate to persons or things as a class, but to particular persons or things of a class—it is a special, as distinguished from a general, law." The conclusion is inevitable that this section 8 is a provision "in aid of strikes and strikers, whether right or wrong, and regardless of the justice [or] of the propriety of the strike or lockout."

By the terms of this law, the statute creates free employment agencies, and provides for the payment of those who operate them out of the money of the people of the State; and yet it singles out a particular class of citizens, and, without cause, deprives them of the benefits of the provisions of the act, while it grants such benefits to another class of persons, who have no greater right to the same than the persons subjected to the deprivation.

The fourteenth amendment to the Constitution of the United States provides, that "no State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States, nor shall any State deprive any person of life, liberty or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws." In interpreting this provision of the Federal Constitution, the Federal and State courts hold an act like the one here under consideration, which is unduly discriminating and partial in its character, to be unconstitutional. In other words, legislation of this kind is condemned by the courts. The legislature has no power to deny to the employer whose men are out upon a strike or are locked out the right to obtain workmen from these free

employment agencies, and at the same time to grant such right to other employers not similarly situated.

It is claimed, however, by the attorney-general, that section 8 can be eliminated from the employment act without invalidating the rest of the act.

In the case at bar, if section 8 be eliminated from the employment act, the other sections, without it, would cause results not contemplated or desired by the legislature. This is so because, without the obnoxious clause or section, all employers, including those whose workmen are out upon a strike or are locked out, as well as all others, would be entitled to the benefits of the act. But clearly it was the intention of the legislature, by inserting section 8 in the act, to deprive the class of employers therein named of the benefits of the act. Consequently, the elimination of that section would not be in accordance with the manifest intention of the legislature. An elimination of section 8 would make the act apply to all classes of employers, and thereby cause a result evidently not contemplated or desired by the legislature. If all the sections of the act be construed together, it is evident that the legislature would not have created the free employment agencies in question, unless the class of employers mentioned in section 8 were excluded from the operation of the act. It follows that the employment act of April 11, 1899, must be regarded as unconstitutional as an entirety.

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GARNISHMENT—JUDGMENT OF SISTER STATE—DOMESTIC JUDGMENT—SENDING CLAIM OUT OF STATE—*Baltimore and Ohio Southwestern Railroad Company v. Adams, Supreme Court of Indiana, 66 Northeastern Reporter, page 43.*—This was an action by Charles Adams against the railroad company above named to recover a sum claimed to be due as wages. The company had been garnisheed in Kentucky by a creditor of Adams and had been required to pay to this creditor the sum claimed by Adams in this action. The circuit court of Jackson County rendered judgment against the railroad company and denied a new trial, whereupon the company appealed, basing their claim on the ground that the decision of the circuit court was contrary to law in that it failed to give full faith and credit to the records and judicial proceedings of the State of Kentucky. Prior to the rendering of the decision in Kentucky a judgment had been given Adams for the amount due, though the action had been commenced in Kentucky before the beginning of the suit in Indiana. There was also a claim that the Kentucky judgment was invalid because the original creditor had violated the provisions of sections 2283 and 2284, Burns's Revised Statutes, 1901, which prohibited the sending of a claim outside the State for the purpose of garnisheeing money due a debtor. The decision of the supreme court reversed the judgment of the court below and ordered it to allow the appellant company a new trial on the grounds which appear in the following quotations from the remarks of Judge Gillett, who announced the opinion of the court:

It is not necessary to set out the proceedings of said Kentucky court in detail, further than to state that appellee [Adams] had personal notice of said suit. No question is raised as to the jurisdiction of the Kentucky court over the res, or as to its jurisdiction over the parties litigant in this action. If the judgment is valid, there has been a sequestration of the original debt; and, if it can be said that the appellant has been compelled to pay the same to a third person, it should now be credited with the payment.

The governing principle of the garnishee's exemption from a second liability is the injustice of compelling him to pay, at the suit of his creditor, that which a court having authority so to do has compelled him to pay to another. It is obvious, therefore, that he must act fairly and without collusion. Where the principal debtor is not actually in court, and there is reason to suppose that he is not advised of the suit, the garnishee ought at least to answer all facts within his knowledge, that, if the court were advised of, would presumably lead it to refuse to subject the fund to sequestration. In this case appellant caused appellee to be personally notified of the pendency of the suit in Kentucky (aside from the judicial notice that he received), and disclosed to the court the nature of the demand, and sought to claim the exemption of appellee under the laws of Indiana. The burden was on appellee, the judgment being shown to be valid on its face, to show facts that would render it equitable and just to require appellant to pay again.

The evidence in this case tends to show that the original creditor violated our statutes, in sending the claim without the State for the purpose of garnishment (sections 2283, 2284, Burns's Rev. Stat. 1901); but it does not appear that appellant failed to disclose any defense within its knowledge. A wrong has been done the appellee, but its consequences ought not to be visited upon the appellant, in the absence of any showing that it was a party to or responsible for such wrong.

Counsel for appellee wholly misapprehend the effect of the fact that appellee obtained a judgment on his claim in this State before judgment was rendered in the Kentucky court. It is to be remembered that the action in Kentucky was commenced, and service was there had upon appellant, before the institution of this suit. The fact that a judgment was obtained in this State was in no wise inconsistent with, but was based on, the fact that the appellant owed the appellee, and that was the basis of the garnishment in Kentucky. The effect of the pendency of said suit merely conferred a privilege upon the appellant to seek a stay of proceedings in this action. [Cases cited.]

We think it clear that the court below did not give the judgment of the Kentucky court, duly certified as it was, the full faith and credit that it was entitled to under the Federal Constitution. (Railroad Co. v. Sturm, 174 U. S. 710, 19 Sup. Ct. 797, 43 L. Ed. 1144.)

A motion has been made to dismiss the appeal in this case, but, in view of the question involved, the motion is overruled.

Judgment reversed, with an instruction to the circuit court to grant appellant's motion for a new trial.

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LABORERS' LIEN—WHO ENTITLED—PRIVITY OF CONTRACT—*Klondike Lumber Company v. Williams Brothers, Supreme Court of Arkansas, 75 Southwestern Reporter, page 854.*—In the circuit court of Little

River County, Williams Brothers had obtained a judgment against the Long Pine Lumber Company for a sum of money due on a contract for cutting and delivering logs at their mills. Williams Brothers had done part of the labor themselves and had employed a number of persons to assist in the labor. From this judgment the Klondike Lumber Company, as intervener makes an appeal, it having purchased the lumber manufactured by the Long Pine Lumber Company at the time when the latter quit business. The original action was brought under the provisions of section 4766, Sand. & H. Dig., which gives to laborers a lien on the product of their labor for the amount due them. The appellants claim that this statute does not apply here, but the court ruled to the contrary, affirming the judgment of the court below.

Judge Riddick, after stating the facts, announced the decision of the court. From his remarks the following is taken:

The question presented by this appeal is whether certain contractors and laborers had a lien on lumber manufactured by the Long Pine Lumber Company and sold by them to the appellant Klondike Lumber Company. Our statute gives laborers who perform work and labor a lien on the production of their labor for the amount due them for such work and labor. (Sand. & H. Dig., sec. 4766; acts 1895, p. 39.) The statute, as it now stands in the acts of 1895, is silent as to whether the labor shall be done under a contract or not, but of course it was not intended that a mere trespasser should have a lien. The labor must be done either under a contract with the owner or under circumstances showing that the owner consented thereto, though a majority of us are of the opinion that it is unnecessary that the laborer should perform the work under a contract in direct privity with the owner of the property. If it is done under a contractor who has a contract with the owner for the performance of the work, then it sufficiently shows the consent of the owner, though in such a case the lien could not exceed the amount agreed to be paid by the owner to the contractor for the performance of the work. It might even be limited to the amount due the contractor at the time the action to enforce the lien is commenced, but under the facts of this case that question need not be considered. All that we need say here is that the laborers who cut and hauled the timber to the mill are not debarred from claiming a lien by the mere fact that they were not directly employed by the owner of the timber. It is sufficient that they worked under one who had a contract with the owner to do the work, and that the owner has paid neither the contractor nor the laborer.

On the question as to whether these men who cut the timber into logs and hauled and placed them on the skidway at the mill of the owner are entitled to a lien on the lumber made from the logs there may be more reason to doubt. But their labor was part of the work necessary to change the timber into lumber. It contributed directly towards the production of the lumber, and we are of the opinion that they have a lien, though the aggregate amount of these liens can not exceed the sum which the owner agreed to pay the contractors for performing the work.

As to the contractors, we have several times held that a contractor is not a laborer within the meaning of the statute giving persons liens who perform work and labor, the statute being intended to protect

the actual laborer, and does not apply to contractors, or those who only superintend the labor of others. The mere fact, therefore, that Williams Bros. contracted to do this work, and hired persons to do it, gives them no lien; but they also themselves performed work and labor under their contract, and to the extent of the value of their own labor they have liens as other laborers have. This lien, we think, should include the value of the use of their wagon and team when actually driven and used by them in performing the work; for in such a case the labor of one who uses a wagon and team or other instrumentality furnished by himself in the performance of his work includes both the work of himself and that of the instrumentality by which he performs it, and he has a lien for the value of all his labor.

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PROTECTION OF WAGES—CONTRACTORS' BONDS—CONSTITUTIONALITY OF STATUTE—*Gibbs v. Tally*, Supreme Court of California, 65 Pacific Reporter, page 970.—In this case William H. Gibbs sued Mary A. Tally and another to recover damages for failure to comply with section 1203, Code of Civil Procedure, relating to the filing of bonds by contractors for the security of payments to laborers and material men. Gibbs had been awarded judgment in the superior court of Los Angeles County, which judgment had been affirmed in department two of the supreme court. On rehearing in bank this judgment was reversed and Mrs. Tally declared to be free from liability on the ground that the statute on which the action was based was unconstitutional. (For full text of the law see Bulletin of the Department of Labor, No. 36, page 1001.) Judge Temple in delivering the opinion of the court used in part the following language:

The statute directs that every contract required to be filed by the provisions of the chapter relating to liens of mechanics and others shall be accompanied by a good and sufficient bond, and that any laborer or material man shall have an action to recover upon the bond for the value of labor and materials, not exceeding the amount of the bond; and such action shall not affect his lien. A failure to comply with the provisions of the section rendered "the owner and contractor jointly and severally liable in damages to any and all material men, laborers, and subcontractors entitled to liens upon property affected by said contract." The statute does not say who shall cause this bond to be executed, nor to whom it shall in form be made payable. It does not undertake that the contractor shall faithfully perform his contract. In short, there is in it nothing which can be of advantage to the owner in any possible event. On the other hand, no possible loss will accrue to the contractor by a failure to provide the bond. The declaration that he shall be severally and jointly liable with the owner is useless verbiage. The contractor is already liable for all labor or materials furnished to him or by his authority. The only person, therefore, upon whom a penalty is put for the failure is the owner. He, therefore, and he only, is required to furnish the bond; and, in effect, the bond is conditioned only that the contractor will pay "such" persons the value of labor and materials so furnished to

him; and the action by a lienor does not affect his lien, or an action commenced for the foreclosure of it. The section assumes a valid contract, under which, if the contract is performed, the lienors can have the entire contract price distributed to them. But after that has been done, or even before it, a suit can be brought upon the bond, or, if it has not been filed, against the owner, to recover an additional 25 per cent upon the contract price, and that is this precise case. The material men and laborers could have demanded security from the contractor before furnishing materials or labor. The statute attempts to compel the owner to furnish security for them in a matter to which he is not a party, and in which he is not concerned. The cost may exceed the contract price, because material men combine to charge exorbitant prices, or through bad management of the contractor, or because prices have increased since the contract was let, or from other causes. If this can be required from the owner it lessens materially the value of his contract. In fact, so far as price is concerned, it deprives him of it. He has no assurance that his house will be built for the stipulated price. There is no more reason for requiring the owner to give this security than there would be in requiring it from any other person in the community. That the owner may be required to pay more than the contract price is not the only injustice which may result from this most unreasonable statute. The owner, or the sureties he is required to furnish, would be responsible in case the contractor failed to perform his contract. Suppose the structure failed to comply with the contract—was in fact so defective as to be useless—and the owner should refuse to pay for it? The very fact that he was injured by the failure of the contractor would create the liability on his part or upon his sureties. Whether the owner is not the principal on the bond, or the party for whom the sureties undertake, I will not discuss. The undertaking, in effect, certainly is that the contractor will pay certain debts if he incurs them; but he is not specially required to furnish the bond, and, as I have stated, incurs no penalty for not doing so, while the owner does.

It is perfectly manifest that this section, if valid, places an unreasonable restraint upon the owner of property in regard to the use thereof. It compels him to become responsible for liabilities he has not incurred, and which were not created for his benefit. It practically forbids him from improving his property by letting a contract unless he becomes liable, or furnishes sureties who will be so liable, for 25 per cent above the contract price, and for the same amount in case the contractor so far fails in keeping his contract that the labor and materials are without value to him, and the contractor has no valid claim against him on account thereof. To impose this burden upon an owner is to some extent to deprive him of his property, for the value of property consists in the right to use it. It was said by Judge Comstock, in *Wynehamer v. People*, 13 N. Y. 378: "When a law annihilates the value of property, and strips it of its attributes by which alone it is distinguished as property, the owner is deprived of it according to the plainest interpretation, and certainly within the constitutional provision, intended expressly to shield personal rights from the exercise of arbitrary power." It is also an unreasonable and unnecessary restriction upon the power to make contracts. It clearly contravenes the provisions of section 1, art. 1, of the constitution of the State, and the fourteenth amendment to the Constitution of the United States.

SEAMEN—PAYMENT OF WAGES IN ADVANCE—CONSTITUTIONALITY OF STATUTE—APPLICATION TO FOREIGN VESSELS—*Patterson et al. v. The Eudora*, Supreme Court of the United States, 23 Supreme Court Reporter, page 821.—B. M. Patterson and others libeled the British bark *Eudora* to recover certain wages paid in advance in violation of the act of Congress of December 21, 1898. A review of the facts in the case and of the preliminary proceedings appears in the following statement made by Mr. Justice Brewer:

On December 21, 1898 (30 Stat. at L. 755, 763, chap. 28, U. S. Comp. Stat. 1901, pp. 3071, 3080), Congress passed an act entitled "An Act to Amend the Laws Relating to American Seamen, for the Protection of Such Seamen, and to Promote Commerce." The material portion thereof is found in Sec. 24, which amends Sec. 10 of chapter 121 of the Laws of 1884, so as to read:

"Sec. 10. (a) That it shall be, and is hereby, made unlawful in any case to pay any seaman wages in advance of the time when he has actually earned the same, or to pay such advance wages to any other person. Any person paying such advance wages shall be deemed guilty of a misdemeanor, and, upon conviction, shall be punished by a fine not less than four times the amount of the wages so advanced, and may also be imprisoned for a period not exceeding six months, at the discretion of the court. The payment of such advance wages shall in no case, excepting as herein provided, absolve the vessel or the master or owner thereof from full payment of wages after the same shall have been actually earned, and shall be no defense to a libel, suit, or action for the recovery of such wages. If any person shall demand or receive, either directly or indirectly, from any seaman or other person seeking employment as seaman, or from any person on his behalf, any remuneration whatever for providing him with employment, he shall, for every such offense, be liable to a penalty of not more than one hundred dollars."

"(f) That this section shall apply as well to foreign vessels as to vessels of the United States; and any master, owner, consignee, or agent of any foreign vessel who has violated its provisions shall be liable to the same penalty that the master, owner, or agent of a vessel of the United States would be for a similar violation: *Provided*, That treaties in force between the United States and foreign nations do not conflict."

The appellants were seamen on board the British bark *Eudora*, and filed this libel for wages in the district court of the United States for the eastern district of Pennsylvania. By an agreed statement of facts it appears that on January 22, 1900, they shipped on board such bark to serve as seamen for and during a voyage from Portland, Me., to Rio and other points, not to exceed twelve months, the final port of discharge to be in the United States or Canada, with pay at the rate of one shilling for forty-five days and twenty dollars per month thereafter. At the time of shipment twenty dollars was paid on account of each of them, and with their consent, to the shipping agent through whom they were employed. On the completion of the voyage, they, having performed their duties as seamen, demanded wages for the full term of service, ignoring the payment made, at their instance, to the shipping agent. The advanced payment and contract of shipment were not contrary to, or prohibited by, the laws of Great Britain. It

was contended, however, that they were prohibited by the act of Congress, above quoted, and that such act was applicable. The district court entered a decree dismissing the libel. (110 Fed., 430.) [See Bulletin of the Department of Labor, No. 38, p. 171.] On appeal to the circuit court of appeals for the third circuit, that court certified the following questions to this court:

"First. Is the act of Congress of December 21, 1898, properly applicable to the contract in this case?

"Second. Under the agreed statement of facts above set forth, upon a libel filed by said seamen, after the completion of the voyage, against the British vessel, to recover wages which were not due to them under the terms of their contract or under the law of Great Britain, were the libellants entitled to a decree against the vessel?"

These questions were both answered in the affirmative by the Supreme Court. From the opinion of the court, as delivered by Mr. Justice Brewer, the following is quoted:

Applying the ordinary rules of construction it does not seem to us doubtful that the act of Congress, if within its power, is applicable in this case.

When, as here, the statute declares, in plain words, its intent in reference to a prepayment of seamen's wages, and follows that declaration with a further statement that the rule thus announced shall apply to foreign vessels as well as to vessels of the United States, it would do violence to language to say that it was not applicable to a foreign vessel.

But the main contention is that the statute is beyond the power of Congress to enact, especially as applicable to foreign vessels.

We are unable to yield our assent to this contention. That there is, generally speaking, a liberty of contract which is protected by the 14th amendment, may be conceded; yet such liberty does not extend to all contracts.

And that the contract of a sailor for his services is subject to some restrictions was settled in *Robertson v. Baldwin*, 165 U. S. 275, 41 L. ed. 715, 17 Sup. Ct. Rep. 326 [See Bulletin of the Department of Labor, No. 11, p. 509], in which sections 4598 and 4599, Rev. Stat. (U. S. Comp. Stat., 1901, pp. 3115, 3116), in so far as they require seamen to carry out the contracts contained in their shipping articles, were held not to be in conflict with the 13th amendment, and in which a deprivation of personal liberty not warranted in respect to other employees was sustained as to sailors. We quote the following from the opinion (p. 282, L. ed. p. 718, Sup. Ct. Rep. p. 329):

"From the earliest historical period, the contract of the sailor has been treated as an exceptional one, and involving, to a certain extent, the surrender of his personal liberty during the life of the contract. Indeed, the business of navigation could scarcely be carried on without some guaranty, beyond the ordinary civil remedies upon contract, that the sailor will not desert the ship at a critical moment, or leave her at some place where seamen are impossible to be obtained—as Molloy forcibly expresses it—'to rot in her neglected brine.' Such desertion might involve a long delay of the vessel while the master is seeking another crew, an abandonment of the voyage, and, in some cases, the safety of the ship itself. Hence, the laws of nearly all maritime nations have made provision for securing the personal attendance of the crew on board, and for their criminal punishment for desertion or absence without leave during the life of the shipping articles."

If the necessities of the public justify the enforcement of a sailor's contract by exceptional means, justice requires that the rights of the sailor be in like manner protected.

Neither do we think there is in it any trespass on the rights of the States. Contracts with sailors for their services are, as we have seen, exceptional in their character, and may be subjected to special restrictions for the purpose of securing the full and safe carrying on of commerce on the water. Being so subject, whenever the contract is for employment in commerce, not wholly within the State, legislation enforcing such restrictions comes within the domain of Congress, which is charged with the duty of protecting foreign and interstate commerce.

Finally, while it has often been stated that the law of the place of performance determines the validity of a contract, yet that doctrine does not control this case. It is undoubtedly true that, for some purposes, a foreign ship is to be treated as foreign territory. As said by Mr. Justice Blackburn in *Queen v. Anderson*, L. R. 1 C. C. 161, "A ship which bears a nation's flag is to be treated as a part of the territory of that nation. A ship is a kind of floating island." Yet when a foreign merchant vessel comes into our ports, like a foreign citizen coming into our territory, it subjects itself to the jurisdiction of this country. In *The Exchange v. M'Fadden*, 7 Cranch, 116, 136, 146, 3 L. ed., 287, 293, 297, this court held that a public armed vessel in the service of a sovereign at peace with the United States is not within the ordinary jurisdiction of our tribunals while within a port of the United States. In the opinion, by Chief Justice Marshall, it was said that "the jurisdiction of the nation within its own territory is necessarily exclusive and absolute. It is susceptible of no limitation not imposed by itself. Any restriction upon it deriving validity from an external source would imply a diminution of its sovereignty to the extent of the restriction, and an investment of that sovereignty to the same extent in that power which could impose such restriction."

Again, in Wildenhus's case, 120 U. S. 1, sub nom. *Mali v. Hudson County Common Jail Keeper*, 30 L. ed. 565, 7 Sup. Ct. Rep. 385, in which the jurisdiction of a State court over one charged with murder, committed on board a foreign merchant vessel in a harbor of the State, was sustained, it was said by Mr. Chief Justice Waite (pp. 11, 12, L. ed. p. 567, Sup. Ct. Rep., p. 387):

"It is part of the law of civilized nations that when a merchant vessel of one country enters the ports of another for the purposes of trade, it subjects itself to the law of the place to which it goes, unless, by treaty or otherwise, the two countries have come to some different understanding or agreement."

It follows from these decisions that it is within the power of Congress to prescribe the penal provisions of section 10, and no one within the jurisdiction of the United States can escape liability for a violation of those provisions on the plea that he is a foreign citizen or an officer of a foreign merchant vessel. It also follows that it is a duty of the courts of the United States to give full force and effect to such provisions. It is not pretended that this Government can control the action of foreign tribunals. In any case presented to them, they will be guided by their own views of the law and its scope and effect; but the courts of the United States are bound to accept this legislation, and enforce it whenever its provisions are violated.

## DECISIONS UNDER COMMON LAW.

COMPETENT EMPLOYEES—EMPLOYMENT OF MINORS—LIABILITY OF EMPLOYER—*Crisman et al. v. Shreveport Belt Railway Company et al.*, Supreme Court of Louisiana, 34 Southern Reporter, page 718.—This was an action by Mattie Crisman and others against the above-named railway company to recover damages for the death of James T. Crisman as a result of being run over by one of their cars. One point of interest was the claim of the plaintiffs that the motorman was incompetent by reason of youth and inexperience. The following extracts from the syllabus prepared by the court present its conclusions as to this subject:

1. It is negligence, on the part of an electric railway company whose line traverses a city, to have one of its cars in the charge of a young man only 18 years old, whose experience in the handling of an electric car dates only twenty days back.
  2. For the shortcomings of such a motorman, in a case where the death of a human being has ensued, the car company will be held to the strictest accountability; and doubt as to whether the life of the deceased might not have been spared had the car been in the hands of a more experienced and more competent motorman will be construed against the car company.
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EMPLOYERS' LIABILITY—RAILROAD RELIEF DEPARTMENT—FURNISHING SURGICAL ATTENDANCE—MALPRACTICE—*Haggerty v. St. Louis, Keokuk and Northwestern Railroad Company*, Court of Appeals at St. Louis, 74 Southwestern Reporter, page 456.—John Haggerty had sued in the circuit court of Lewis County, Missouri, and recovered a judgment for damages against the above-named company for an injury received while in its employment. The injury was a fracture of the right leg a few inches above the ankle joint. Immediately after the accident Haggerty had been taken to his home and a Dr. Smith called in to give treatment. He dressed the leg, and left Haggerty with a remark to the effect that that would answer until the railroad doctor came. On the following day the doctor referred to, one Bourne, came and examined the limb at the request of Dr. Smith, who was not present when Bourne arrived, but was invited to come in at his (Bourne's) request. It appears that the above-named railroad company was one of a number of companies whose relief departments were united under the name of the Burlington Voluntary Relief Department. This department was supported by sums deducted from the wages of the employees of the companies in proportion to their earnings, the resulting fund being used to pay the members' benefits when disabled by sickness or accident and, in case of their death, to pay benefits to their families, the railroad companies contributing when the members' fees were inadequate to the demands. Haggerty was a member of this association. Among the

rules of the relief department were provisions that benefits received from its fund should operate as a release and satisfaction of all claims for damages against the employing company for injuries or death, and that if any member or his legal representatives should bring suit on account of such injuries or death and the action should proceed to judgment or a compromise, all claims upon the relief fund should be precluded. Dr. Bourne, named above, was known as a medical examiner for the relief department. Among his duties were those of reporting the condition of sick and injured members, when members were unfit for duty, and when they were able to work, the preparing of claims for benefits, certifying bills for surgical treatment, and the performance of such other duties as might be required by the medical director. The relief association provided for the payments of such bills for surgical attendance as were approved by the medical director of the relief department. Haggerty received the treatment above referred to and undertook to go to work some months after the injury, but found himself unable to continue in the service of the company. He was again treated for a long time and was practically disabled for work most of the time for more than a year on account of his leg. It was alleged in Haggerty's claim that by a negligent setting of the bones the leg was crooked and shorter than the other one and that he was permanently crippled. The evidence tended to prove that the bones were not properly set nor was efficient and skillful surgery displayed in taking care of the fracture until it healed. Among the instructions given in behalf of the plaintiff Haggerty was one stating "that the defendant is liable for all negligent acts of its agents, within the general scope of their employment, while engaged in the business of said railroad company, and with the view to the furtherance of the railroad company's business. If the physician or surgeon who treated plaintiff's broken leg did so in furtherance of defendant's interests and directions, and it was the defendant's physician and surgeon who undertook to set and treat and doctor plaintiff's broken leg, the defendant is liable for negligence, if any, of such physician, whether he was sent without pay from plaintiff to defendant, or was sent under and in pursuance of the obligations of a contract between plaintiff and defendant." And further, "that the defendant is liable for the negligent acts of its agents, is liable in all matters done in the course of the agent's employment, even though the defendant did not authorize the specific act done. If the physician who treated and operated upon plaintiff's broken leg did so in the course of his or their usual employment with the defendant, then the act done was as the agent of the defendant." The defendant company asked the court to instruct the jury that "even though you find from the evidence that Dr. B. H. Smith was employed by Dr. J. J. Bourne professionally to treat plaintiff for the fracture of his right leg, being the fracture spoken of in the evidence, and even if you find that Dr. Smith did in fact, pursuant to such employment, treat plain-

tiff for such fracture, and find that he, Dr. Smith, treated plaintiff in an unskillful and careless manner, yet defendant would not be liable for such carelessness and unskillful treatment, unless you further find that Dr. Bourne was careless and negligent in the employment of Dr. Smith." From the judgment in favor of plaintiff the company appealed, the appeal resulting in a reversal of the judgment of the court below.

Judge Goode, speaking for the court, having stated the above facts, discussed one or two questions of secondary importance and then said:

Bourne's right to employ Smith is still more earnestly questioned, but we think that issue was for the jury under the evidence. The passage of the answer recited in the statement of fact alleges that the relief department had the option to furnish members surgical attention when injured, or refrain from doing so, but that the practice was to allow the injured member to select his own surgeon. Dr. Bourne testified that, while it was customary in certain cases to pay bills for treatment, it paid them only when the member was disabled by an accident. Further, he said, in effect, that, if he was satisfied the surgery a member was receiving was unskillful, he would make a report of it; that the relief department could advise as to the surgeon, but could not change one against the patient's will. Moreover, the regulations of the department directly empowered medical examiners to certify bills for surgical treatment; and those facts, while they do not conclusively prove Dr. Bourne was authorized to employ Dr. Smith, warrant the inference that he might do so without exceeding his duty; and, in fact, his authority was practically admitted when the answer said the relief department might, if it deemed best, employ surgeons for disabled members. There is evidence to show this right was exercised in this instance, whether it ever was in any other or not, and, as the pleadings and evidence stand now, a case was made for the jury as to whether the defendant was remiss in performing its duty. What its duty was, we will now inquire.

Granting that the plaintiff was negligently and unskillfully treated by physicians employed by the defendant company, the question arises whether the company's responsibility is to be determined by the doctrine of respondeat superior; in other words, whether the defendant is liable for their malpractice if it was reasonably careful in selecting them, or is only liable if it was not careful in that respect.

We are referred to a line of decisions holding that hospitals, and other bodies politic intended for charitable purposes or to assist in the performance of some function of government without expectation of profit, are not responsible for the negligence of servants and employees unless they are remiss in choosing them.

In our judgment the relief department organized by the defendant company, in view of the regulations provided for its government, can not be classed as a charity without doing violence to every significance that word bears, either in popular or legal usage. It is not a charity within the [common] definition \* \* \* because the fund administered is not a gift by the employees, who make contributions; much less by the railroad company, which does not make any unless a deficit occurs. The fund is made up from sums contributed by the members for their mutual benefit, and to be enjoyed by them if they suffer from

sickness or accident. It is, in effect, a provision made by the employees to insure a stipend for them to live on if they are disabled, and a benefit to their families if they die. In addition to this, if disabled by accident, their medical attendance is paid out of the fund. This strikes us as a purely business arrangement on the part of the employees of the railroad company. But to call the enterprise a charity on the part of the company itself is extravagant, when we note that one of its purposes, as carved in high relief on the face of the regulations, is to prevent damage suits.

The petition charges that the defendant bound and obligated itself to furnish the plaintiff, as a member of the relief department, competent and skillful surgeons to wait on him, and, if such contract was in fact made, defendant is of course answerable if it failed to perform; that is to say, if it furnished a surgeon whose lack of skill resulted in injuring the plaintiff. But no evidence was adduced to show that any such contract or obligation was ever created by express words, and, if one existed, it arose by implication from the regulations of the relief department. Those regulations imposed no duty on the railroad company or its relief department to furnish surgeons, skilled or otherwise, for sick and disabled members. All that is said bearing on that matter is that the medical examiners may certify bills for surgical attendance, and that members accidentally hurt are entitled to payment of such bills, if approved by the medical examiner.

But we have held there was evidence tending to prove that in this instance the railroad company did hire surgeons to treat the plaintiff, though there was none to show he did not willingly accept them or preferred any one else. Unquestionably, if it undertook to supply plaintiff with surgical attendance, or deprived him of a choice in the matter, it was bound to employ reasonable care to get men of average skill. But did its obligation end there? As we have seen, to be exempted from the rule of *respondeat superior*, the exemption can not be granted on the principle that it was operating a charity, and some other ground of immunity must be found.

Modern conditions make it imperative to hold many employers responsible for the torts of their servants, as a means of enforcing care in the prosecution of dangerous enterprises and the handling of dangerous implements and machinery. Railroad companies must see that their servants are cautious in operating trains, make all needful regulations, select their employees with that end in view, and discharge them when they are careless and unskillful. The application of the rule in question is especially called for when the misfeasance of the employee happens while he is engaged about the main business of his employer. In cases like this the surgeon is not regarded as sustaining in full measure the relation of servant to the railway company. That relation carries the right of direction and control of the servant by the master as to the mode in which the former shall do his work; and when an employer, instead of reserving in terms or by implication the right of direction, contracts for the exercise of independent judgment and skill on the part of the person employed, the latter is often regarded as a separate contractor, and alone responsible for his torts. [Cases cited.]

The defendant company was not primarily engaged in ministering to sick and disabled persons for profit, but, when it gave such ministrations, did so as an incident to its regular business. There is little

likelihood of railway companies or other employers becoming careless in the selection of physicians to wait on employees; and, as their business managers and superintendents are not selected for their expert knowledge of medical and surgical matters, they are unfit to supervise the work of physicians, and therefore the doctrine of respondeat superior can not well be applied to such matters. We think these are the real reasons why the courts have refused to extend the rule to them; and we need not be troubled because this course is inconsistent with the general doctrine that masters are answerable for the torts of servants, since the law aims at practical rather than theoretical ends, and regulates acts with reference to their consequences instead of their logical connection. The precedents, without exception, hold that, unless the evidence shows want of care in the selection of the surgeon, the servant injured by malpractice has no recourse against his employer. [Cases cited.]

It follows from the above considerations and authorities that the circuit court erred in refusing the instruction requested by defendant which is set out in the statement, and in giving several instructions asked by the plaintiff. The case should have been tried on the theory pointed out, to wit, that the liability of the defendant depends on whether it exercised due care in selecting physicians to wait on the plaintiff, if it furnished him with physicians. Instead of that theory being followed, the effect of the instructions to the jury was to leave it entirely out of view, and to hold the company liable for the surgeons' incompetency, however cautiously they may have been chosen.

The judgment is reversed, and the cause remanded.

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INJUNCTION—DISCHARGE OF EMPLOYEES BECAUSE OF MEMBERSHIP IN LABOR UNION—BLACKLIST—*Boyer et al. v. Western Union Telegraph Company, United States Circuit Court for the Eastern District of Missouri, Eastern Division, 124 Federal Reporter, page 246.*—This is a bill brought by Boyer and others to procure an injunction against the Western Union Telegraph Company, prohibiting the discharge of employees on account of membership in the Commercial Telegraphers' Union, and also prohibiting the maintenance by said company of a blacklist. The bill also alleged that the company had conspired to destroy the Telegraphers' Union. The injunction was denied. The points involved were discussed in the following manner by Judge Rogers, who delivered the opinion of the court:

The first cause of complaint is that plaintiffs have been discharged without notice from the service of the defendant for no other cause than that they joined that union. But the answer to that complaint is that in a free country like ours every employee, in the absence of contractual relations binding him to work for his employer a given length of time, has the legal right to quit the service of his employer without notice, and either with or without cause, at any time; and in the absence of such contractual relations any employer may legally discharge his employee, with or without notice, at any time. The second ground for complaint is that defendant, its officers and agents, have unlawfully combined and confederated together to destroy the said union, and

intend discharging all the members of said union from the service of the defendant, and by threats, intimidation and coercion, and otherwise, are interfering with the plaintiffs and with others of their employees for uniting with the union, and are seeking to prevent those discharged from obtaining employment. I need not take time to multiply authorities to show that there is no such thing in law as a conspiracy to do a lawful thing. If the last allegation means anything, it is that the defendant, its officers and agents, have conspired to destroy the union by discharging all its members in its employ, and refusing to employ others, solely for the reason that they were members of the union. But it is not unlawful, in the absence of contractual relations to the contrary, to discharge them for that or for any other reason, or for no reason at all. Hence there is no such thing in law as a conspiracy to do that, and it matters not whether you call such an agreement a conspiracy, a combination, or a confederation.

True, it is alleged that defendant, its officers and agents, unlawfully combined and confederated to destroy the union. But what is unlawful is a question of law; whether a thing done is unlawful depends on what is done or threatened to be done. But what the defendant company, its officers and agents, combined or confederated to do in order to destroy the union, is the precise thing the complaint fails to show. The court must always be able to look at the facts and say that if these facts are true they are illegal; otherwise there is no ground for invoking its protective agency.

But it is said that defendant maintains a blacklist containing a list of names of such persons as may have incurred its displeasure and have been discharged from its service, and that, by methods not known to them, it prevents such discharged persons from getting employment as telegraph operators; that they have blacklisted people solely because they belong to the union, and that they intend to blacklist others for the same thing, etc. We have seen it is not unlawful to discharge plaintiff's because they belong to the union. Is it unlawful for defendant to keep a book showing that they were discharged because they belonged to the union? The union presumably, and especially in view of the allegations in the bill, is an honorable, reputable, and useful organization, intended to better the conditions and elevate the character of its members. Is it illegal for defendant to keep a book showing that it had discharged members of such a union solely because they belong to it? That seems to be the real essence of the bill. Is it illegal to notify others that it keeps such a book and that they can inspect it, or to inform others what such a book shows? That seems to be the ground of complaint. There can be no question about it; the positive, direct, and unequivocal allegation is that defendant keeps such a book: that plaintiff's are placed on it solely because they belong to the union, and have been discharged solely because they did belong to the union. Can a court of equity grant relief to a man who says for his cause of action that he belongs to a reputable organization, and that he has been discharged solely because he did belong to it; that his employer who discharged him keeps a book on which is placed his name, and has set opposite thereto the fact that he discharged him solely because he belonged to such organization; and that he gives that information to other persons, who refuse to employ him on that account? Suppose a man should file a bill alleging that he belonged to the Honorable and Ancient Order of Freemasons, or to the Presbyterian Church, or to the Grand Army of the Republic; that his employer had

discharged him solely on that account; that he had discharged others of his employees, and intended to discharge all of them, for the same reason; that he kept a book which contained all the names of such discharged persons, and set opposite the name of each discharged person the fact that he had been discharged solely on the ground that he belonged to such organization; and that he had given such information to others, who refused to employ such persons on that account. Is it possible a court of equity could grant relief? If so, pray, on what ground? And yet that is a perfectly parallel case to this as made by the bill.

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INJUNCTION—STRIKES—LABOR UNIONS—*Gulf Bag Company v. Suttner et al., United States Circuit Court for the Northern District of California, 124 Federal Reporter, page 467.*—This was a suit for the continuance of a restraining order issued at the instance of the Gulf Bag Company to restrain Suttner and others from intimidating the employees of the company. The facts sufficiently appear in the remarks of Judge Beatty in granting the continuance prayed:

The complaint alleges the existence of the San Francisco Labor Council of Federated Trades, of which defendants Benham and Zant are respectively president and secretary; that its objects are to compel the employers of labor to employ only union laborers; that the Cotton Bag Workers' Union, No. 10648, is a union association of which defendants Hanback and Tiedemann are respectively president and secretary, and some of whose members worked for complainant, and quit complainant's service on June 8, 1903; that all of defendants have conspired and combined to injure complainant's business, unless it shall employ only the members of such union; that on and after the 8th day of June, 1903, defendants assembled in large numbers about complainant's premises, and by unlawful threats, intimidations, and other unlawful means so intimidated complainant's employees as to prevent them from working. There are numerous affidavits attached to the complaint showing various unlawful acts by defendants, consisting of the application to complainant's employees of vile epithets and language, of threats against them, and, in a few instances, of actual personal assaults. Upon such showing a restraining order was issued, and the question now is whether it shall be continued until the case can be heard upon its merits.

By their affidavits the defendants specifically deny every unlawful act, the use of every threat, of every vile epithet or language charged to have been done or used by them, and they allege, as is the rule in such cases, "that the principal object of their union is, by mutual arrangements with the employers of its members, to secure satisfactory rates of wages, and to improve the efficiency of its members, and that it does not approve or tolerate violence for any purpose." There is no doubt that all the written stated objects in their records of organization are worthy and commendable, but the question is not as to the objects of their organization, stated or otherwise; it is what they do.

The law does give the right of peaceable persuasion. It is the abuse of this right which leads to all the trouble. In their desire to succeed they too often go in great numbers. Among them are generally some who are lawless and reckless of rights or consequences.

They do that which the conservative and better classes do not approve of, and the general result is that the conscious power of great numbers leads along from one act to another, to the usual end that violence and abuse are resorted to when advice and persuasion fail. But it must be understood that when any assemble in numbers for some object they must be held responsible for what their associates do, whether they approve of or advise it or not.

It is not in doubt that disagreement existed between complainant and its employees, and that the latter quit work; that some of such employees and some of their friends, after the strike, collected in the vicinity of complainant's works, and at least interviewed other employees, and that this occurred during several successive days; that one man at least—Jensen—was violently assaulted with a bludgeon and knocked down in that vicinity by somebody; that there is fair evidence of other assaults, there and at other places, upon the employees who continued to work; that it had grown so dangerous that the police officers found their presence necessary to preserve the peace. Objection was made to the use of a certified copy of a police officer's official report to his chief. It bears upon the issues, and bears the evidence of truth. The truth is what we want, and it will not be excluded for merely technical reasons, but it may be added that the result reached does not at all depend upon this report.

All laboring people fully understand that whenever they please, and for any cause, they have the right to quit work, whether as individuals or as organizations. They must also understand that all men, whether associated with them or not, have equal rights with them in the laboring world. The right to labor, or to cease it, must be as free to all as it is to water to seek its level. This Government is one of liberty under the law, and its people are free men; neither will tolerate the attempt of any to enforce assumed rights by crushing the inalienable rights of others. Until all recognize and obey that law the contest must and will go on.

I think, in the interest of peace and law, this restraining order should be continued. It is complained that it is too comprehensive in that it includes the members of both associations hereinbefore named. There is no question that the Cotton Bag Workers' Union is interested, for the striking employees of complainant were members thereof, and defendant Hanback, who is president of this union, says in his affidavit that the president and secretary of the other associations interceded in this matter to procure better wages for these employees. As these organizations work largely through their officers, it is not extravagant to conclude that both organizations took more or less interest in this contest.

Moreover, this restraining order does not deprive anyone of any right, nor require of him any wrong. It only requires that no wrong shall be committed, that no right shall be infringed. The order can do no harm, even if not clearly and absolutely justified, but I think the facts justify it, and, as it was made, so it is continued.

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INJUNCTION — STRIKES — PICKETING — INTERSTATE COMMERCE —  
*Knudsen et al. v. Benn et al., United States Circuit Court for the District of Minnesota, Fifth Division, 123 Federal Reporter, page 636.*—

Knudsen and others who were engaged in the handling of freight at the docks of the Northern Pacific Railway Company at Duluth, Minn., petitioned the court for an injunction against certain men, members of an association of longshoremen, which should restrain them from interfering with the conduct of the complainants' business. These men, Benn and others, had formerly been in the employment of the freight handling company, but had struck, and it is against any interference with the employees procured to take their places that the company asks this injunction. An injunction was granted commanding the persons named and all associated with them to desist and refrain from in any manner interfering with, hindering, obstructing, or delaying the complainants' work "by trespassing in and upon the railroad yards and docks of the Northern Pacific Railway Company at Duluth, Minn., for the purpose of compelling or inducing, by threats, force, intimidation, violence, violent or abusive language, or persuasion, any employees of complainants to refuse or fail to perform their duties as such employees; also from compelling or inducing, or attempting to compel or induce, by threats, intimidation, force, violence, or abusive or violent language or persuasion, any of the employees of said complainants to leave their service; also from compelling or attempting to compel, by threats, intimidation, force, violent and abusive language, any person desiring to seek employment with them; also from establishing and maintaining spies and pickets at the place of work of complainants' employees, in, about, or adjacent to the yards and docks of said Northern Pacific Railway Company, or in or upon the streets and avenues of the city of Duluth, near by and leading to and from said yards and docks, for the purpose of inducing or compelling, by threats, intimidation, violence, violent or abusive language or persuasion, any employee of complainants to fail or refuse to perform his duties as such, or for the purpose of interviewing employees of complainants, and inducing them not to remain in the complainants' employment."

The grounds on which the injunction was granted are stated by Judge Lochren in the following language:

The principles that govern this case are pretty well settled. Of course, there are some differences in the language used by different judges in such cases, arising more from the varying circumstances than from any real difference in the apprehension of what the law is governing cases of this kind.

The acts here charged constitute an interference with interstate commerce, and I suppose some matters are stated mainly to show that it is a case over which a Federal court has jurisdiction. As Congress has exclusive jurisdiction over commerce among the States and with foreign countries, it is therefore the duty of the Federal courts to safeguard the exercise of interstate commerce, and to see that it has protection under the law.

Now, there is no question but that an employee may leave the service of his employer without incurring liability to be required by a

court of equity to continue in the service, even if he has contracted to serve for a stated length of time. A breach of such contract may give a right of action at law, but performance will not be enforced in equity. A party may leave the service of his employer, and in the same way an employer may discharge a servant for cause or without cause. When a servant leaves, or an employer discharges a servant, the connection of the servant with the service ceases, and this is especially so when the employee leaves of his own accord. He has the right to do so if he demands higher wages, and the demands are not complied with by the employer. He may leave, but if he does he has no right to insist upon reemployment, or to take means to compel the employer to take him back at higher wages; he has no further interest in the service. Whomsoever the employer may engage afterwards to perform the service is a matter of no concern to the former servant, and he has no right to interfere in the matter any longer. He has left the service, and the only way he can return to it is by making a new contract with the employer, who may receive him back or not, as he sees fit. He has no right to do unlawful acts, or to interfere with the business or property of the employer, to coerce or compel the employer to reinstate him or to accord him higher wages.

The right of laborers to consult together and form unions, if they please, for the purpose of their own advancement and for the obtaining of higher wages, is conceded; and, I suppose, employers have the same right to form unions for the purpose of depressing wages, if they shall see fit to do so. It is a voluntary matter on the one side as well as on the other. The employee has no more right to coerce the employer to give him employment at a rate which he shall name than an employer has to coerce a servant to work at such a rate as he shall determine and dictate.

As this case stands, these individual defendants are not in the employment of the complainants. They have no interest in the complainants' business, and they have no right to interfere with that business in any way. The testimony shows that they are interfering; they admit it themselves. They admit it to the extent that they have been placing "pickets," as they call them, to observe who is employed, and for the purpose of inducing such employees to leave the employment of the complainants.

Fellow-workmen may agree together to leave at once the service of their employer; but having done so, and being no longer interested in that matter, then, notwithstanding certain dicta in cases that have been read from, it does not seem clear to me that they are acting lawfully when they are persuading the servants of their former employer to break their contracts and leave the service. It is a matter that does not concern them any longer. It is a matter that is apparently injurious to their former employer. It seems to me that such an interference in a matter with which they have no rightful concern and which is injurious to another is not lawful.

But, whether it be so or not, it appears in this case, without any dispute, that there have been some unlawful acts, respecting which some of these defendants pleaded guilty to an indictment charging them with such unlawful acts in matters complained of here. The affidavits of police officers and others also show that there have been assaults and threats made by defendants who have been employed by the complainants in this work against new employees, and that these matters have

been continued, and there have been some such occurrences since the issuing of this injunctional order.

It seems to me that this injunction must be allowed, and I think that it may fairly extend to any interference, not only with the employees of the complainants, while they are at work and in places where they are performing service, but also to interference with them by pickets, and in other ways of waylaying and meddling with them while going to and returning from their work, and especially restraining assaults of any kind by force or violence, or intimidation by threats of force or violence.

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**INJUNCTION—TRADE SECRETS—DISCLOSURE BY EMPLOYEE—*Stone et al. v. Goss et al.*, Court of Errors and Appeals of New Jersey, 55 Atlantic Reporter, page 736.**—This is a bill for an injunction to restrain John Goss from divulging a secret process of the complainants, his former employers, for the manufacture of compounds used to remove hair or wool from skins and hides, and also to restrain the Grasselli Chemical Company from using or divulging any information derived from Goss with reference to such secret process. Goss had been in the employment of the complainants for several years, during which time they had manufactured and put upon the market what was called "Stone's XXX Depilatory" and "Stone's XXXX Depilatory." The Grasselli Chemical Company were rivals in the business of such manufactures and had induced Goss to leave his position with Stone and enter their service. Goss informed his new employers of the complainants' method of manufacture and described their apparatus so that they were able to reproduce the same and put a similar depilatory on the market. They were proceeding with preparations to do this when an injunction was secured in the court of chancery stopping such an undertaking. An appeal was taken to the court of errors and appeals, in which the decree of the court of chancery was affirmed. Stone alleged that Goss was under contract not to reveal the secrets of the manufacture, which contract Goss denied. The weight of the evidence, however, was held to establish the existence of the contract.

The conclusions of law are presented in the following syllabus by the court:

1. One who is under an express contract, or a contract implied from a confidential relation, not to disclose a trade secret, will be enjoined from disclosing the same.

2. Others who induce him to disclose the secret, knowing of his contract not to disclose it, or knowing that his disclosure is in violation of the confidence reposed in him, will be enjoined from making any use of the information so obtained, although they might have reached the same result independently by their own experiments or efforts.

3. The disclosure necessarily made to the court does not deprive the complainants of their right to an injunction.

## **LAWS OF VARIOUS STATES RELATING TO LABOR ENACTED SINCE JANUARY 1, 1896.**

[The Second Special Report of this Bureau contains all laws of the various States and Territories and of the United States relating to labor in force January 1, 1896. Later enactments are reproduced in successive issues of the Bulletin from time to time as published.]

### **CONNECTICUT.**

#### **ACTS OF 1903.**

##### **CHAPTER 33.—*Free public employment offices.***

The commissioner of the bureau of labor statistics may establish and conduct branch public employment bureaus under the direction and control of the five established bureaus. Such branches may be established and conducted in any city within the State and shall be managed by the nearest bureau: *Provided*, That in no case shall such a branch be established unless it can be conducted by the bureau taking charge thereof upon the appropriation made for such bureau.

Approved, April 14, 1903.

##### **CHAPTER 95.—*Exemption of wages, etc., from execution.***

SECTION 1. So much of any debt which has accrued by reason of the personal services of the defendant as shall not exceed twenty-five dollars, including wages due for the personal services of any minor child, shall be exempted and not liable to be taken by foreign attachment or execution; but there shall be no exemption of any debt accrued by reason of the personal services of the defendant against a claim for the defendant's personal board. All benefits allowed by any association of persons in this State towards the support of any of its members incapacitated by sickness or infirmity from attending to his usual business shall also be exempted and not liable to be taken by foreign attachment or execution; and all moneys due the debtor from any insurance company upon policies issued for insurance upon property, either real or personal, which is exempt from attachment and execution, shall in like manner be exempted to the same extent as the property so insured.

Approved, May 15, 1903.

##### **CHAPTER 97.—*Inspector of factories, etc.***

SECTION 1. The governor shall, with the consent of the senate, on or before the fifteenth day of May, A. D. 1903, and before the first day of May quadrennially thereafter, appoint a factory inspector, who shall hold office for four years and until his successor is appointed and qualified. The governor may remove the inspector for cause. Said factory inspector shall receive an annual salary of twenty-five hundred dollars and necessary expenses.

Sec. 2. The inspector shall examine all elevators, whether in factories, mercantile establishments, storehouses, workhouses, dwellings, or other buildings, and may order hoistways, hatchways, elevator wells, and well holes to be protected by trapdoors, self-closing hatches, safety catches, or other safeguards as will insure the safety of all persons therein. Due diligence shall be used to keep such trapdoors closed at all times, except when in actual use by an occupant of the building having the use and control of the same. All elevator cabs or cars, whether used for freight or passengers, shall be provided with some suitable mechanical device, if considered necessary by said inspector, whereby the cab or car will be securely held in the event of accident to the shipper rope or hoisting machinery, or from any similar cause, and said mechanical device shall at all times be kept in good working order.

SEC. 3. The inspector may from time to time appoint deputies to assist him in the performance of his duties. Such deputies shall have the same power and authority as the inspector, subject to his approval. Each of said deputies shall receive a compensation of five dollars per day for actual services, and his necessary expenses incident to the performance of the duties of his office. The total amount expended under this section shall not exceed in any one year seven thousand dollars, which shall be paid upon proper vouchers by the deputies, signed by the inspector.

Approved, May 12, 1903.

**CHAPTER 149.—*Right of action for personal injuries—Limitation.***

Section 1119 of the general statutes is hereby amended to read as follows: No action to recover damages for injury to the person, or for an injury to personal property caused by negligence, shall be brought but within one year from the date of the injury or neglect complained of.

Approved, June 9, 1903.

**CHAPTER 193.—*Right of action for injuries causing death.***

SECTION 1. No cause or right of action shall be lost or destroyed by the death of any person, but shall survive in favor of or against the executor or administrator of such deceased person.

SEC. 4. In all actions surviving to or brought by an executor or administrator for injuries resulting in death, whether instantaneous or otherwise, such executor or administrator may recover from the party legally in fault for such injuries just damages not exceeding five thousand dollars: *Provided*, That no action shall be brought upon this statute but within one year from the neglect complained of.

SEC. 5. All damages recovered under this act shall be distributed as directed in section 399 of the general statutes.

Approved, June 18, 1903.

**DELAWARE.**

**ACTS OF 1903.**

**CHAPTER 410.—*Hours of labor on public works—City of Wilmington.***

SECTION 1. Eight hours shall constitute a legal day's work for all classes of employees employed by the municipal corporation of the city of Wilmington.

SEC. 2. Each contract to which the municipal corporation of the city of Wilmington is a party which may involve the employment of laborers, workmen or mechanics shall contain a stipulation that no laborer, workman or mechanic in the employ of the municipal corporation of the city of Wilmington, contractor, subcontractor, or other person doing or contracting to do the whole or a part of the work contemplated by the contract shall be required to work more than eight hours in any one calendar day, except in cases of extraordinary emergency caused by fire, flood or danger to life or property.

SEC. 3. The wages to be paid for a legal day's work as hereinbefore defined to all classes of such laborers, workmen or mechanics, upon all such public work or upon any material to be used upon or in connection therewith shall not be less than the prevailing rate for a day's work in the same trade or occupation in the locality in the State where such public work, on, about or in connection with which such labor is performed in its final or completed form is to be situated, erected or used. Each such contract hereafter made shall contain a stipulation that each such laborer, workman or mechanic employed by such contractor, subcontractor or other person on, about or upon such public work shall receive such wages as hereinbefore provided. Each contract for such public work hereafter made shall contain a provision that the same shall be void and of no effect unless the person or corporation making or performing the same shall comply with the provisions of this act; and no such person or corporation shall be entitled to receive any sum nor shall any officer, agent or employee of the municipal corporation of the city of Wilmington pay the same or authorize its payment from the funds under his charge or control to any such person or corporation for work done upon any contract which in its form or manner of performance violates the provisions of this act.

SEC. 4. Any officer, agent or employee of the municipal corporation, of the city of Wilmington, having a duty to act in the premises, who violates, evades, or knowingly permits the violation of [or] evasion of any of the provisions of this act, shall

be guilty of malfeasance in office and shall be suspended or removed by the authority having the power to appoint or remove such officer, agent or employee, otherwise by the governor. Any citizen of this State may maintain proceedings for the suspension or removal of such officer, agent or employee or may maintain an action for the purpose of securing the cancellation or avoidance of any public contract which by its terms or manner of performance violates this act or for the purpose of preventing any officer, agent or employee of such municipal corporation from paying or authorizing the payment of any public money for work done thereupon.

SEC. 5. This act shall not apply to the policemen, park guards, watchmen, or special officers of any kind.

Approved, April 7, A. D. 1903.

## INDIANA.

### ACTS OF 1903.

#### CHAPTER 16.—*Convict labor.*

SECTION 1. Section four (4) of an act entitled "An act concerning the employment of the convicts of the State prison," [etc.] \* \* \* approved February 10, 1899, \* \* \* is hereby amended to read as follows: Section 4. No contract for the labor of the convicts of said prison shall be made for a longer period than up to October 1st, 1910. Such contracts, whether made for the labor of said convicts, or on the piece price system, shall be awarded to the highest and best bidder for the same. The regular hours for the day's work in said prison shall not exceed eight hours, subject to temporary changes under necessity, or to fit special cases, to be sanctioned by the board of control.

Approved, February 14, 1903.

#### CHAPTER 21.—*Inspection of steamboats.*

SECTION 1. After the passage and taking effect of this act it shall be the duty of every and all owners of any steamboat, naphtha or gas engine launch that is used for carrying passengers, freight, baggage or merchandise of any kind for hire, upon any of the inland lakes, ponds or rivers of this State, to have the boiler, engine and machinery belonging to the motive power of such steamboat or launch carefully inspected once each year by some competent inspector and engineer who shall hold a certificate of competency from some reputable technical school or institute of the United States, this inspection to be not later than the 15th day of May: *Provided*, That if the services of an inspector of the class above mentioned can not be reasonably obtained to make such inspection, the owner or person engaged in running such steamboat or launch required by this act to be inspected, may have such inspection made by any reputable engineer or machinist qualified to make the same, not of kin to nor in the employment of such owner or person running such boat: *Provided, further*, That before any person shall make such inspection he shall have a certificate of authority from the State factory inspector authorizing such inspection, and shall send a copy of his report of each inspection made by him to the State factory inspector, which report shall be filed and carefully preserved by the State factory inspector in his office.

SEC. 2. Upon making inspection of any boat or launch required by this act to be inspected, the inspector shall, if he finds the boiler, engine and machinery connected with the motive power safe and in good order, issue to the owner or person using the same, a certificate and commission substantially in the following form: "I, (name) hereby certify that I did on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_, carefully make personal inspection of the boiler, engine and the other machinery connected with the motive power of the steamboat (or launch) (name) owned by (name) and operated by (name), and I find that such boiler, engine and machinery are safe, sound and in good condition, and said (name) is hereby commissioned to use and run such boat (name) for the purpose of carrying passengers, freight, baggage and merchandise for hire until the \_\_\_\_\_ day of August, 19\_\_\_\_\_, (or until the close of the present season of the last inspection). Signed, (inspector's full name)." The owner or operator of such boat or launch shall post such certificate and commission in a conspicuous place upon his boat or launch and keep the same so posted at all times the boat or launch is being run and used for hire.

SEC. 3. If upon such inspection the boiler, engine or machinery of any boat or launch, or any part thereof, is found to be unsafe, unfit or dangerous for use, the inspector shall not issue such certificate, but he shall state in writing wherein such engine, boiler or machinery is defective and unsafe, and he shall post such writing

in some conspicuous place on the boat or launch, which shall be kept so posted until the defective part or parts are repaired and made safe for use and a certificate and commission to run and use the boat or launch is duly issued by the inspector. Any person who shall remove, mutilate or destroy any certificate of inspection that any such engine, boiler or machinery is defective, posted by any inspector upon any such steamboat, naphtha or gas engine launch, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not less than twenty-five (\$25) dollars nor more than fifty (\$50) dollars.

SEC. 4. Such inspector may charge and collect from the owner or person using and running such steamboats and launches for hire, the sum of \$10 for each inspection of any steamboat of six horse power or over, and \$5 for each inspection of any naphtha or gas engine launch of three horse power or over, and the charge shall be a lien upon the boat or launch so inspected, which lien may be enforced and collected in the same manner as mechanics' liens, in any court of competent jurisdiction, to be collected without relief from valuation or appraisement laws, and a reasonable attorney fee may be recovered in such case in favor of the plaintiff.

SEC. 5. Any inspector who shall knowingly issue a certificate of safety and commission to run, for any steamboat or launch inspected by him, when the boiler, engine and machinery thereof are not safe and in good condition, shall be deemed guilty of a grave misdemeanor, and upon conviction thereof shall be fined in any sum not less than \$50, and not more than \$500, and upon a second conviction for such offense, imprisonment not exceeding six months in the county jail may be added in the discretion of the court or jury trying the case.

SEC. 6. Any person owning, using, operating or running any steamboat, naphtha or gas engine launch for the carriage of passengers, freight, baggage or merchandise of any kind for hire, after the passage and taking effect of this act, without having had the boiler, engine and machinery of steamboat or launch inspected as provided in the first section of this act, shall be deemed guilty of a misdemeanor, and upon conviction therefor shall be fined in any sum not less than twenty nor more than one hundred dollars therefor, and upon a second conviction for such an offense, imprisonment in the county jail not exceeding six months may be added in the discretion of the court or jury trying the case, and the several justices' courts of this State shall have jurisdiction to inflict imprisonment in the cases tried in such courts.

Approved, February 21, 1903.

#### CHAPTER 46.—*Hours of labor of employees on railroads.*

SECTION 1. It shall be unlawful for any superintendent, train dispatcher, yardmaster, foreman or other railway official to permit, exact, demand or require any engineer, fireman, conductor, brakeman, switchman or other employee, engaged in the movement of passenger or freight trains, or in switching service in yards or railway stations, to remain on duty more than sixteen (16) consecutive hours, unless in case of accident, wreck or other unavoidable cause, without at least eight hours' rest and relief from all duty whatever.

SEC. 2. For any violation of or failure to comply with any of the provisions of this act, such company shall be liable to all persons and employees injured by reason thereof; and no employee shall in any case be held to have assumed the risk incurred by reason of such violation or failure.

SEC. 3. Any superintendent, train dispatcher, train-master, foreman or other official of any railway in the State of Indiana, violating any of the provisions of this act, shall upon conviction thereof be fined not less than twenty (\$20) dollars and not more than two hundred (\$200) dollars for each offense.

Approved, February 28, 1903.

#### CHAPTER 78.—*Protection of employees on buildings.*

SECTION 1. It shall be unlawful for any person, firm or corporation engaged in the erection of any building, three stories in height or more, to begin in the erecting of the third story, or any story above the third story, until a floor or protection has been put down on the second story, and a floor or protection shall likewise be put down for the third story before the fourth story is commenced, and so on successively. A floor or protection shall be put down on the last story erected before beginning work on the walls or materials for the next story above. Such floor or floors shall be made of material fitted together sufficiently close to prevent persons, materials or substances of any kind, falling from above, from going through the same, and such floor or floors shall be sufficiently secure as to prevent their tipping up or giving away under a person or persons walking over same. The floors above referred to shall be embodied in the specifications and fully described by the architect or owner.

SEC. 2. If any firm, person or corporation use or cause to be used any elevating machines or hoisting apparatus in the construction or building of any building or other structure for the purpose of lifting or elevating materials to be used in such construction, such firm, person or corporation engaged in constructing such building, shall cause the shafts or openings in each floor to be enclosed or fenced in on all sides by a barrier of suitable material at least four feet high.

SEC. 3. Any person or corporation violating any of the provisions of this act shall be fined not less than twenty-five dollars nor more than one hundred dollars.

SEC. 4. The bureau of factory inspection is hereby required to enforce the provisions of this law.

Approved, March 3, 1903.

#### CHAPTER 120.—*Safety appliances on railroads.*

SECTION 1. From and after the first day of January, 1904, it shall be unlawful for any person, firm, company or corporation engaged in commerce by railroad from one point to another in this State to use on its line any locomotive engine from one point in the State to another point in the State unless such locomotive is equipped with proper driving wheel brake and appliances for operating the train brake system, or using any train in such traffic after said date that has not a sufficient number of cars in it so equipped with power or train brakes that the engineer on the locomotive drawing such train can not control its speed without requiring trainmen to use the common hand brake for that purpose.

SEC. 2. On and after the first day of January, 1904, it shall be unlawful for any such person, firm, company, or corporation to haul or permit to be hauled, or used on its line, any car used in moving traffic from one point within this State to another point within this State, not equipped with couplers, coupling automatically, by impact, and which can be uncoupled without the necessity of men going between the ends of the cars.

SEC. 3. When any person, firm, company or corporation engaged in commerce within this State by railroad shall have equipped a sufficient number of its cars so as to comply with the provisions of section one of this act it may lawfully refuse to receive from any connecting lines of road or shippers any cars not equipped sufficiently in accordance with the first section of this act, with such power or train brakes as will work and readily interchange with the brakes in use on its own cars, as required by this act.

SEC. 4. From and after the first day of January, 1904, it shall be unlawful for any person, firm, company or corporation operating any railroad, to use any car in any commerce wholly within this State, that is not provided with secure grab irons or hand holds on each side of the coupler at both ends of the car, and on each side of the car at each end of such car.

SEC. 5. Any such person, firm, company or corporation using any locomotive engine, running any train, or hauling or permitting to be hauled or used on its line, any car in violation of any of the provisions of this act, shall be liable to a penalty of \$10 for each and every such violation, to be recovered in a suit to be brought by the prosecuting attorney in any court in this State having jurisdiction in the locality where such violation shall have been committed; and it shall be the duty of such prosecuting attorney to bring such suits upon duly verified information of such violation having occurred: *Provided*, That nothing in this act contained shall apply to trains composed of four wheel cars.

SEC. 6. Any employee of any such person, firm, company or corporation so engaged in operating a railroad within this State, who may be injured by any locomotive, car or train in use contrary to the provisions of this act, shall not be deemed to have assumed the risk occasioned thereby, although continuing in the employment of such person, firm, company or corporation after the unlawful use of such locomotive, car or train has been brought to his knowledge.

Approved, March 9, 1903.

#### CHAPTER 171.—*Payment of wages in scrip.*

SECTION 1. Whenever any person, firm, company or corporation or association shall take from any employee, laborer or other person rendering services for hire in the State, an assignment of such employee's, laborer's or other person's wages, earned or unearned, due or to become due, or shall take from such employee, laborer or other person rendering service for hire, any order on his employer for any such wages, and shall issue to give to any such employee, laborer or other person rendering service for hire, in consideration of or in payment for any such assignment or transfer or order, any check or any ticket, token or device payable or redeemable or purporting

to be payable or redeemable or agreed to be payable or redeemable in goods, ware[s], merchandise or any other commodity or anything other than lawful money of the United States, such checks, tickets, tokens or device shall at once become due and payable in lawful money of the United States, for and to the extent of the full amount of the wages assigned or relinquished for it, and the employee, laborer or other person to whom such check, ticket, token or device for such assignment or relinquishment of wages, shall, after demand, have the right to collect same with reasonable attorney's fees, by suit in any court of competent jurisdiction. Nothing in this act shall be construed to prevent any firm, person, company, corporation or association from paying such employee, laborer or other person rendering service for hire by bank check on any solvent bank: *Provided*, Such bank check is payable upon demand at its face value.

Approved, March 9, 1903.

#### CHAPTER 222.—*Fire escapes on factories, etc.*

SECTION 1. \* \* \* Every building in which persons are employed above the second story in a factory, workshop or mercantile or other establishment, \* \* \* and every factory, workshop, mercantile or other establishment of more than two stories in height shall be provided with proper ways of egress or means of escape from fire, sufficient for the use of all persons accommodated, assembled, employed, lodged or residing in such building, and such ways of egress and means of escape shall be kept free from obstruction, in good repair and ready for use at all times, and all rooms above the second story in such building shall be provided with more than one way of egress or escape from fire, placed as near as practicable at opposite ends of the room and leading to fire escapes on the outside of such buildings or to stairways on the inside, provided with proper railings. All external doors subject to the provisions of this section shall open outward, and all windows open outward or upward. \* \* \* The certificate of the chief inspector of the department of inspection of the State shall be *prima facie* evidence of a compliance with such requirements.

SEC. 2. In addition to the foregoing means of escape from fire, all such buildings as are enumerated in section 1 of this act, as are more than two stories in height, shall have one or more fire escapes on the outside of said buildings, as may be directed by the chief inspector aforesaid, except in such cases as the said chief inspector may deem such fire escapes to be unnecessary in consequence of adequate provision having been already made for safety in event of fire, and in such cases of exemption the said chief inspector shall give the owner, lessee or occupant of said building a written certificate to that effect and his reason therefor, and such fire escapes as are provided for in this section shall be constructed according to specifications issued or approved by the department of inspection and shall be connected with each floor above the first, well fastened and secured, and of sufficient strength; each of which fire escapes shall have landings or balconies guarded by iron railings not less than three feet in height, and embracing one or more windows at each story, and connecting with the interior by easily accessible and unobstructed openings; and the balconies or landings shall be connected by iron stairs, placed at a slant of not more than forty-five degrees, protected by a well secured handrail on both sides, with a twelve-inch wide drop ladder from the lower platform, reaching to the ground, except in cases of school buildings, iron stairs shall extend to a ground landing, and no telegraph, telephone, electric light poles or wires, signs or other obstructions shall interfere with the construction and use of any fire escape.

SEC. 3. Any other plan or style of fire escape shall be sufficient if approved by the chief inspector, but if not so approved the chief inspector may notify the owner, proprietor or lessee of such establishment or of the building in which such establishment is conducted, or the agent or superintendent, or school officer, or either of them, in writing, that any such plan or style of fire escape is not sufficient, and may, by an order in writing, served in like manner, require one or more fire escapes, as he shall deem necessary and sufficient, to be provided for such establishment at such location and [of] such plan and style as shall be specified in such written order. Within twenty days after the service of such order the number of fire escapes required in such order for such establishment shall be provided therefor, each of which shall be of the plan and style in accordance with the specifications in said order required. The windows or doors to each fire escape shall be of sufficient size and be located, as far as possible, consistent with accessibility from the stairways and elevator hatchways or openings, and the ladder thereof shall extend to the roof. Stationary stairs or ladders shall be provided on the inside of such establishment from the upper story to the roof, as a means of escape in case of fire.

SEC. 6. The owner or owners of any building designated in this act, whether individual, firm or corporation, or the lessee or occupant thereof, or any school officer

having charge of public property, who neglects or refuses to comply with any of the provisions of this act, shall be fined not exceeding two hundred dollars, and be deemed guilty of a misdemeanor punishable by imprisonment for not less than one month nor more than two months; and in case of fire occurring in said building or buildings in the absence of such fire escape or escapes, the said person or persons, or corporation or public officials shall be liable in an action for damages with a penalty of five thousand dollars for the life of each person killed, in case of death, or for damages for personal injuries sustained in consequence of such fire breaking out in said building, and shall also be deemed guilty of a misdemeanor punishable by imprisonment for not less than six months nor more than twelve months in the county jail; and such action for damages may be maintained by any person now authorized by law to sue as in other cases of similar injuries: *Provided*, That nothing in this act shall interfere with fire escapes now in use approved by the chief inspector.

SEC. 7. The chief inspector of the department of inspection of the State is hereby charged with the enforcement of this act, and shall see that its provisions are observed and enforced, and for this purpose he or his deputies shall have free access at all reasonable hours to all buildings embraced herein, and the prosecuting attorney in each county of the State shall render all necessary legal assistance as may be required by said chief inspector in enforcing this act.

Approved, March 10, 1903.

#### CHAPTER 246.—*Inspection of steam boilers.*

SECTION 1. It shall be the duty of every person, firm or corporation owning or using or causing to be used any steam boiler for generating steam to be applied to machinery in all industrial institutions subject to inspection by the department of inspection, shall [sic] provide them with a full complement of gauge-cocks, some visible means of indicating the water level, one steam gauge, one fusible plug properly inserted, one safety valve, all to be kept in good working order (the area of said valve, if known as a pop-valve, shall be in the ratio of one square inch of area to three square feet of grate surface), a lever and ball safety valve in the ratio of one square inch of area to two square feet of grate surface: *Provided*, That fusible plugs shall be required only in boilers having crown sheets.

SEC. 2. The owner, agent, manager, or lessee of any boiler or boilers described in section 1 of this act, of 10 or more horse power, shall cause such boiler or boilers to be inspected, internally, once in six months by a practical boilermaker of not less than five years' experience; or a practical steam engineer who has had not less than ten years' experience with steam boilers carrying not less than seventy (70) pounds pressure per square inch; or by a boiler inspector of any company doing business under the laws of the State, who shall furnish to the owner, agent, or lessee of such boiler a certificate of inspection stating the kind and showing the condition of said boiler, the connections, and maximum pressure to be carried by said boiler; such certificate to be retained in the office of said establishment and to be shown to the chief inspector of the department of inspection or his deputy when required.

SEC. 3. Every boiler house in which a boiler, or nest, or battery of boilers is placed shall be provided with a steam gauge or gauges, properly connected with the boilers, and where the engine is in a separate room, or more than forty feet distant from the gauge or nearest boiler, shall have another gauge attached to the steam pipe, so the engineer can readily ascertain the pressure carried. The safety valves of steam boilers subject to inspection under this act shall be loaded to sustain only the maximum pressure allowed by said certificate of inspection.

SEC. 4. The prosecuting attorney of any county of this State is hereby required upon request of the chief inspector of the department of inspection, his deputy or any other person of full age, to commence and prosecute to a termination before any court of competent jurisdiction, in the name of the State, actions or proceedings against any person, firm or corporation reported to him to have violated the provisions of this act.

SEC. 5. It shall be unlawful for any person, firm or corporation to knowingly operate any aforesaid boilers except as provided for in this act, and for the violation of section 1 or 3 a fine of not less than ten dollars (\$10) nor more than twenty-five dollars (\$25) shall be assessed for each offense. Each day such violation or violations continue shall constitute a separate offense. Any person, firm or corporation knowingly failing to comply with section 2 of this act, or any order issued by the department of inspection in accordance therewith, shall be fined not less than twenty-five dollars (\$25) nor more than one hundred dollars (\$100).

Approved, March 12, 1903.

**MAINE.**

## ACTS OF 1903.

CHAPTER 114.—*Employment offices.*

SECTION 1. Section six of chapter three of the public laws of eighteen hundred ninety-nine is hereby amended \* \* \* so that said section shall read as follows:

Section 6. The municipal officers of any town may on payment of the sum of five dollars each into the town treasury grant licenses to suitable persons for one year, unless sooner revoked after notice and for cause, to keep offices for the purposes of obtaining employment for domestics, servants, or other laborers, except seamen, or of giving information relating thereto, or of doing the usual business of intelligence offices; whoever keeps such an office, without a license, forfeits not exceeding fifty dollars for every day that it is so kept. The keeper of an intelligence office shall not retain any sum of money received from any person seeking employment through the agency of such intelligence office, unless employment of the kind sought for is actually furnished.

No license shall be granted to a person who is directly or indirectly engaged in or interested in the sale of intoxicating liquors. The keeper of a licensed intelligence office shall cause two copies of this act, printed in type of sufficient size to be legible and easily read, to be conspicuously posted in each room used or occupied for the purposes of such intelligence office. Whoever violates the provisions of this act shall have the license revoked, and shall be punished by fine not exceeding twenty dollars for each offense.

Approved, March 19, 1903.

**MASSACHUSETTS.**

## ACTS OF 1903.

CHAPTER 275.—*Registration of badges, etc., of labor organizations.*

SECTION 1. The registration of the insignia, distinctive ribbons, or membership rosette or button of a labor union indicated in chapter four hundred and thirty of the acts of the year nineteen hundred and two shall be made in the office of the secretary of the Commonwealth in accordance with the provisions of sections seven and eight of chapter seventy-two of the Revised Laws.

SEC. 2. Any such insignia, distinctive ribbons, or membership rosettes or buttons heretofore registered under the provisions of said chapter four hundred and thirty of the acts of the year nineteen hundred and two shall be deemed to have been fully registered within the meaning of said act if such registration has been in accordance with the requirements of sections seven and eight of said chapter seventy-two of the Revised Laws.

Approved, April 29, 1903.

CHAPTER 320.—*Appointment, discharge, etc., of employees of public service corporations.*

SECTION 1. No railroad, street railway, electric light, gas, telegraph, telephone, water or steamboat company shall appoint, promote, reinstate, suspend or discharge any person employed or seeking employment by any such company at the request of the governor, lieutenant governor, or any member or member elect of the council or of the general court, or candidate therefor, justice of the supreme judicial court, justice of the superior court, judge of probate, justice of a police, district or municipal court, district attorney, member or member elect of a board of county commissioners, or candidate for county commissioner, member or member elect of a board of aldermen, or selectmen, or city council, or any executive, administrative or judicial officer, clerk or employee of any branch of the government of the Commonwealth or of any county, city or town; nor shall any such public officer or body, or any member or member elect thereof or candidate therefor, directly or indirectly advocate, oppose, or otherwise interfere in, or make any request, recommendation, endorsement, requirement or certificate relative to, and the same, if made, shall not be required as a condition precedent to, or be in any way regarded or permitted to influence or control, the appointment, promotion, reinstatement or retention of any person employed or seeking employment by any such corporation, and no such person shall solicit, obtain, exhibit, or otherwise make use of any such official request, recommendation, certificate or endorsement in connection with any existing or desired employment by a public service corporation.

SEC. 2. The offices of probation officer, notary public and justice of the peace shall not be considered public offices within the meaning of this act.

SEC. 3. Any person or corporation violating the provisions of this act shall be punished by a fine of not less than fifty dollars nor more than one hundred dollars for each offense.

Approved, May 5, 1903.

**CHAPTER 437.—*Liability of stockholders of corporations for wage debts.***

SECTION 33. \* \* \* The stockholders of a corporation shall also be liable for all money due to operatives for services rendered within six months before demand made upon the corporation and its neglect or refusal to make such payment. A stockholder who pays on a judgment or otherwise more than his proportion of any such debt shall have a claim for contribution against the other stockholders.

Approved, June 17, 1903.

**CHAPTER 475.—*Inspection of factories—Blowers for emery wheels, etc.***

SEC. 1. Any person, firm or corporation operating a factory or workshop in which emery wheels or belts or buffing wheels or belts injurious to the health of employees are used shall, within three months after this act takes effect, provide such wheels and belts with a hood or hopper connected with suction pipes, and with fans or blowers, in accordance with the provisions hereinafter contained, which apparatus shall be placed and operated in such a manner as to protect any person or persons using any such wheel or belt from the particles or dust produced by the operation thereof, and to convey the said particles or dust either outside of the building or to some receptacle so placed as to receive and confine the said particles or dust.

SEC. 2. Every such wheel shall be fitted with a sheet iron or cast iron hood or hopper of such form and so placed that the particles or dust produced by the operation of the wheel or of any belt connected therewith shall fall or will be thrown into such hood or hopper by centrifugal force; and the fans or blowers aforesaid shall be of such size and shall be run at such speed as will produce a volume and velocity of air in the suction and discharge pipes sufficient effectually to convey all particles or dust from the hood or hopper through the suction pipes and so outside of the building or to a receptacle as aforesaid.

SEC. 3. The suction pipes and connections shall be suitable and efficacious, and such as shall be approved by the district police.

SEC. 4. This act shall not apply to grinding machines upon which water is used at the point of grinding contact, nor to solid emery wheels used in saw mills or in planing mills or in other wood-working establishments, nor to any emery wheel six inches and under in diameter used in establishments where the principal business is not emery wheel grinding.

SEC. 5. It shall be the duty of the district police and of factory inspectors, upon receiving notice in writing, signed by any person having knowledge of the facts, that any factory or workshop as aforesaid is not provided with the apparatus herein prescribed, to visit such factory or workshop and inspect the same, and for that purpose they are hereby authorized to enter any such factory or workshop during working hours; and if they ascertain, in the foregoing or in any other manner, that the owner, proprietor or manager of any such factory or workshop has failed to comply with the provisions of this act, they shall make complaint of the same in writing, before a court or judge having jurisdiction, and cause such owner, proprietor or manager to be proceeded against for violation of this act; and it is made the duty of the district attorney to prosecute all cases arising under this act.

SEC. 6. Any person failing to comply with any provision of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than twenty-five nor more than one hundred dollars, and in case of a second offense he shall be punished by the aforesaid fine, or by imprisonment in the county jail for a term not exceeding sixty days, or by both such fine and imprisonment.

Approved, June 26, 1903.

**NORTH CAROLINA.**

**ACTS OF 1903.**

**CHAPTER 247.—*Emigrant agents.***

SECTION 26. Taxes in this schedule [Schedule B] shall be imposed as license tax for the privilege of carrying on the business or doing the act named, \* \* \*. The license issued under this schedule shall be for twelve months, and shall expire on the thirty-first day of May of each year.

SEC. 74. On every emigrant agent or person engaged in procuring laborers for employment out of this State, an annual license tax of one hundred dollars for the State and one hundred dollars for the county for each county in which such agent or person does business, the same to be collected by the sheriff. Any one engaging in this business without first paying said tax shall be guilty of a misdemeanor and fined not less than two hundred dollars or imprisoned, in the discretion of the court.

Ratified this 9th day of March, A. D. 1903.

#### CHAPTER 473.—*Employment of children—Age limit—Hours of labor.*

SECTION 1. No child under twelve years of age shall be employed or work in any factory or manufacturing establishment within this State: *Provided*, This act shall not apply to oyster canning and packing manufactories in this State, where said canning and packing manufactories pay for opening or shucking oysters by the gallon or bushel.

SEC. 2. Not exceeding sixty-six hours shall constitute a week's work in all factories and manufacturing establishments of this State, and no person under 18 years of age shall be required to work in such factories or establishments a longer period than sixty-six hours in one week: *Provided*, That this section shall not apply to engineers, firemen, machinists, superintendents, overseers, section and yard hands, office men, watchmen or repairers of break-downs.

SEC. 3. All parents, or persons standing in relation of parent, upon hiring their children to any factory or manufacturing establishment, shall furnish such establishment a written statement of the age of such child or children being so hired, and any such parent, or person standing in the relation of parent to such child or children, who shall in such written statement misstate the age of such child or children being so employed, shall be guilty of a misdemeanor, and upon conviction shall be punished at the discretion of the court. Any mill owner, superintendent or other person acting in behalf of a factory or manufacturing establishment who shall knowingly or willfully violate the provisions of this act shall be guilty of a misdemeanor, and upon conviction shall be punished at the discretion of the court.

SEC. 4. This act shall be in force from and after January 1st, 1904.

Ratified this 6th of March, A. D. 1903.

#### CHAPTER 516.—*Licensing of employees on oyster boats.*

SECTION 6. It shall be unlawful for any person to catch oysters from the public grounds of the State without first obtaining a license so to do, and no person shall be licensed for this purpose who is not a bona fide resident of this State and who has not continuously resided therein for two years next preceding the date of his application for license, and it shall be unlawful for any person, licensed under the provisions of this act to employ as agent, or assistant any person not so licensed, or to act as the agent or assistant of any person unlicensed.

Ratified this 6th day of March, 1903.

### PHILIPPINE ISLANDS.

#### LAWS OF U. S. PHILIPPINE COMMISSION—1902.

##### Act No. 296.—*Bureau of public printing—Skilled workmen to be employed.*

SECTION 2. There shall be a chief of the bureau of public printing, \* \* \* who shall be known as the public printer.

The duties of the public printer shall be:

4. To employ workmen who are thoroughly skilled in their respective branches of industry as shown by trial of their skill under his direction, in accordance with the provisions of the Civil Service Act.

## LEADING ARTICLES IN PAST NUMBERS OF THE BULLETIN.

- No. 1. Private and public debt in the United States, by George K. Holmes.  
Employer and employee under the common law, by V. H. Olmsted and S. D. Fessenden.
- No. 2. The poor colonies of Holland, by J. Howard Gore, Ph. D.  
The industrial revolution in Japan, by William Eleroy Curtis.  
Notes concerning the money of the U. S. and other countries, by W. C. Hunt.  
The wealth and receipts and expenses of the U. S., by W. M. Steuart.
- No. 3. Industrial communities: Coal Mining Co. of Anzin, by W. F. Willoughby.
- No. 4. Industrial communities: Coal Mining Co. of Blanzy, by W. F. Willoughby.  
The sweating system, by Henry White.
- No. 5. Convict labor.  
Industrial communities: Krupp Iron and Steel Works, by W. F. Willoughby.
- No. 6. Industrial communities: Familière Society of Guise, by W. F. Willoughby.  
Cooperative distribution, by Edward W. Bemis, Ph. D.
- No. 7. Industrial communities: Various communities, by W. F. Willoughby.  
Rates of wages paid under public and private contract, by Ethelbert Stewart.
- No. 8. Conciliation and arbitration in the boot and shoe industry, by T. A. Carroll.  
Railway relief departments, by Emory R. Johnson, Ph. D.
- No. 9. The padrone system and padrone banks, by John Koren.  
The Dutch Society for General Welfare, by J. Howard Gore, Ph. D.
- No. 10. Condition of the Negro in various cities.  
Building and loan associations.
- No. 11. Workers at gainful occupations at censuses of 1870, 1880, and 1890, by W. C. Hunt.  
Public baths in Europe, by Edward Mussey Hartwell, Ph. D., M. D.
- No. 12. The inspection of factories and workshops in the U. S., by W. F. Willoughby.  
Mutual rights and duties of parents and children, guardianship, etc., under the law, by F. J. Stimson.  
The municipal or cooperative restaurant of Grenoble, France, by C. O. Ward.
- No. 13. The anthracite mine laborers, by G. O. Virtue, Ph. D.
- No. 14. The Negroes of Farmville, Va.: A social study, by W. E. B. Du Bois, Ph. D.  
Incomes, wages, and rents in Montreal, by Herbert Brown Ames, B. A.
- No. 15. Boarding homes and clubs for working women, by Mary S. Fergusson.  
The trade-union label, by John Graham Brooks.
- No. 16. Alaskan gold fields and opportunities for capital and labor, by S. C. Dunham.
- No. 17. Brotherhood relief and insurance of railway employees, by E. R. Johnson, Ph. D.  
The nations of Antwerp, by J. Howard Gore, Ph. D.
- No. 18. Wages in the United States and Europe, 1870 to 1898.
- No. 19. Alaskan gold fields and opportunities for capital and labor, by S. C. Dunham.  
Mutual relief and benefit associations in the printing trade, by W. S. Waudby.
- No. 20. Condition of railway labor in Europe, by Walter E. Weyl, Ph. D.
- No. 21. Pawnbroking in Europe and the United States, by W. R. Patterson, Ph. D.
- No. 22. Benefit features of American trade unions, by Edward W. Bemis, Ph. D.  
The Negro in the black belt: Some social sketches, by W. E. B. Du Bois, Ph. D.  
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